

121. Will you turn to the next page and tell me how much was loaned to boroughs?—£590,015.

122. And how much to counties?—£290,065.

123. There is a return of loans finally approved by the Advances Board up to the 29th August. How much was finally approved to boroughs?—£897,880.

124. And how much to counties?—£385,870. I wish to point out that the term “round-robin” as used in connection with consent in writing by members of the Board to an act to be afterwards ratified is wrong. A “round-robin” is a document of petition, or accusation, or complaint, or protest, the signatures to which are signed in a circle so that it cannot be seen which signed first; and I desire to say that I resent the term “round-robin,” which has been used.

125. *Right Hon. Sir J. G. Ward.*] I want to ask you a question in connection with the advances to Borough Councils in the return quoted by the Minister of Finance just now. The Borough Councils schedule of loans in excess of £5,000 finally approved by the Advances Board in this return amount to £897,880. Can you say now whether a large proportion of that is for water-supply, drainage, and sanitation purposes?—Yes, over £600,000.

126. Is it a fact that under the Public Health Act there have been more stringent conditions provided for in regard to the preservation of the health of the people in the boroughs and in the country towns than was the case before the Health Act came into operation?—Yes.

127. Is it a fact that, as the outcome of the Health Act being in existence, the boroughs have imposed upon them heavier responsibilities for providing against disease and preserving the health of the people?—Yes.

128. Is it a fact that every application from a County Council, River Board, Drainage Board, or Town Board, until the date of the resolution to limit amounts to £5,000, that every application from the various Boards was dealt with without exception?—Yes, dealt with in the order of receipt, no preference being shown.

129. Is it a fact that no application from a county, Road Board, Town Board, or Drainage Board was set aside and refused, to enable an advance to be made to a borough or Harbour Board?—No.

130. There was no setting-aside of any application from those bodies for that purpose?—No; there was no preference shown between bodies.

131. In reference to the Wairoa Harbour loan, was that loan granted during my absence from New Zealand?—I could not say. You never appeared in the matter.

132. I wanted to know whether there was any special reason which the acting-Minister could have submitted to you?—During your absence no Minister would be seen; the whole thing would be sent up.

133. Would you regard an official communication from a Minister upon any matter in his district as in any way disqualifying him in regard to your giving the necessary approval under the Act?—I would not take the slightest notice whether Minister, member, or private citizen.

134. Would you regard it as in any way suggesting impropriety when the document was submitted to Sir James Carroll and the loan had been authorized by the Board to attach his signature to it when it was in order?—No.

135. Do you know, Mr. Poynton, upon this question of the word “urgent,” upon which some importance appears to be attached, that, after a long experience of official life, such coming from a Minister would be looked upon as a very ordinary matter?—All documents from Ministers are considered urgent.

136. Do you know that every telegram sent by a Minister into a telegraph-office is immediately marked “urgent” and takes precedence?—Yes. Every telegram from myself to a Minister is marked “Urgent—take precedence.”

137. And would you take it as extraordinary on a telegram being referred to you if it was marked “urgent”?—I would not notice it was marked “urgent” unless pointed out.

138. From the official record, Mr. Poynton, that I read from the Journals of the House this morning, it states that the return of the writ is referred to in the communication placed before the House by the Speaker, and it shows that it was some months after the election that the loan was granted by the Bank of New Zealand?—The preliminaries took place on the 26th February.

139. I am talking about the payment of the loan by the Bank of New Zealand to Taihape?—I think, sir, from what I know, that the demand was made long before the election, but the debentures were only handed over some time after the election. Mr. Dalziel was very anxious about the debentures, and wanted to know whether the debentures were in order. I fancy the bank had advanced the money on the strength of the debentures some months before. I am not sure about that. There was no money paid by the Treasury at all.

ROBERT JOSEPH COLLINS sworn and examined. (No. 22.)

1. *The Chairman.*] What are you?—Controller and Auditor-General.

2. *Right Hon. Sir J. G. Ward.*] Colonel Collins, you were Secretary to the Treasury for some years?—Yes.

3. Were you familiar with the working of the Loans to Local Bodies Act?—Yes, certainly.

4. Under the old system of the Loans to Local Bodies Act, what was the procedure adopted to obtain loans from the Treasury—was it by application direct to the Treasury?—Yes, asking in the first place for the loan, and then taking the necessary steps on being advised that provisional approval was granted.

5. In the first place, the loan would be provisionally approved under the old system?—Yes.

6. And they had to take the necessary steps, and then afterwards it would be submitted for final authority to the Minister?—Yes. It is four years ago, and I am depending entirely on my memory.