

Mr. J. E. Macdonald.

21st Aug., 1877.

18. Did you receive a verbal answer?—To that letter?

19. Yes.—No, sir.

20. Did you receive a verbal answer as to the payment of the overdraft?—I did.

21. Will you tell the Committee what that answer was?—I received it from Major Atkinson, but I can scarcely remember what the exact words were. In fact, I was told by Mr. Swanson this morning that he heard what took place, and he gave me his recollection of it. I told Major Atkinson the day before that it would be a great convenience to me if I could get away on the following day, and that if he could give me an answer I should be obliged to him. I saw Mr. Swanson this morning, who was telling me what took place. Mr. Swanson was telling me that I asked Major Atkinson, "What is the verdict?" and his reply was, "All right." I do not exactly remember that myself, but Mr. Swanson bore it in mind. That was all that took place between the Government and myself.

22. Do you know these extracts [referring to those read by Mr. Rolleston in the House of Representatives]? Are they portions of a speech you delivered on the Thames?—Yes, I read them this morning?

(Extracts from *Thames Advertiser* of December 28th read.)

23. Are those extracts substantially correct?—I suppose they might be taken as substantially correct of what I said at the meeting, with the exception that a comparison is made between the two Murrays—one in Auckland and the other at Grahamstown.

24. Do you wish to make any explanation or modification of this statement as it appears in the report of the paper?—I have the newspaper here, and I think it is substantially correct as to what I said at that meeting.

25. On re-consideration, do you adhere to all you said at that meeting?—No, I do not indeed.

26. On what particular points? Will you tell the Committee what part of that report you now wish to correct?—Witness [who was reading the report, and referring to that part which mentions a hatless Cabinet Minister] said:—The real circumstances are these: When I left Major Atkinson, I sent to Mr. Whitaker, as I was going away, in order to bid him good-bye. He came out, and I bid him good-bye. I believe he asked me how I got on (in reference to the overdraft), and my answer was that I got on well enough to clear out. He turned round then and followed me to the door of the ante-room leading into the hall, and he asked me if I would take with me a parcel for Mrs. Whitaker. I expressed my willingness to do so, and was turning round when he said "You had better not say anything about this arrangement, and do not let Brodie be telegraphing about it," but whether that had reference to the money or things generally, I do not know. That, however, was really what took place. With one exception, I think this report is correct. For instance, I am made to say here that Mr. Whitaker said, "Oh, Macdonald, I forgot to tell you not to say a word about the money, for if it comes out we shall have every man in the House wanting something of the same sort, and the end of it will be, I be d——d if you get a single shilling." Now, I did not say that at the meeting. What I did say was, as quoting from Mr. Whitaker, "that every one in the House would be wanting something of the sort, and the end of it will be that you will not get a d——d shilling." So far as the "hatless and breathless business" is concerned, that of course is not real. Mr. Whitaker never advanced so far as the red doorway, and when he spoke about Brodie, he was between the ante-room and the red door.

At this stage witness asked for permission to make a statement. Permission being granted,

Witness said: I should like to explain to the Committee how I came to make these wild statements, or how I came to give my description of the interview so vivid a colouring. It was thus. At the expiration of my term of office as Mayor, I had been considerably pressed to allow myself to be put in nomination again, and I did so. It transpired that a gentleman who was opposed to me had engaged one of the theatres for the purpose of addressing a public meeting the night before the election. Of course I had a shrewd suspicion of what that meant, and I engaged the other theatre, went to a member of my committee, told him what had happened, and advised him that the best thing he could do was to advertise me to address the electors on this Monday or Tuesday night—I forget now which it was—so that it would appear that we were not clashing with the other party. This course was adopted, and the other party had no recourse but to arrange their meeting for seven o'clock, mine being at eight o'clock, which would give me the last word. I shrewdly suspected that I was to have a slating all round, and was fully prepared to play the same suit if that was led. I had, of course, persons in attendance at the opposition meeting, who were to come and report if the opposition candidate said anything disparaging of me. In the meantime, what was to keep the meeting going? for of course I could not finish until the other man had concluded, and I had really nothing whatever to say. As a means, therefore, of killing time, I took all the anonymous letters that had been written about me during the previous eight or ten months and answered them. Among those letters was one as to the mystery in relation to my so-called trip to Wellington, and I gave a slightly coloured account of the thing. It must be remembered that I had nearly 1200 people to keep in good humor until the other candidate had finished, and I had to do this by myself. Looking at the entire speech from one end to the other, it was a mere stump oration, and I suppose contained as much fiction as most stump speeches usually do.

27. *Mr. Murray-Aynsley.*] Did Mr. Murray give you to understand that he had been in communication with the Government about this overdraft?—Not in the slightest degree. I was sent down because, from the position which one of our members occupied with regard to the Government, it was thought he would not endeavour to obtain the money from the Government; and as to the other member, it was thought I should be of assistance to him in the matter.

28. You think there was not the slightest question between the Bank and the Government in reference to it?—It would not have mattered to the Bank, because they would have been perfectly safe under any circumstances. It was not the Bank so much, although Mr. Murray (the Manager at Grahamstown), being urged by the Town Council, added his persuasions to induce me to come to Wellington. I have no knowledge of the Bank in the transaction at all, and I had no communication