

Cabinet?—I had no conversation with him about it until just before he was going away. I saw him about two or three other matters, but had no conversation with him about the overdraft until he was going away. Previous to that I had asked him to take a parcel for me to Mrs. Whitaker. On the day he left he had a conversation with Major Atkinson in the next room to which I was, but I was not present. As he was about going away, the door of the room in which I was, was opened, and I was told Macdonald wanted to speak to me. I went out to him. He said he was going that morning, I think, at twelve. I asked him if he would take the parcel to Mrs. Whitaker, and he said he would. Do you wish me to state what occurred? It was of so little consequence that it did not make much impression on my mind at the time.

Hon. F. Whitaker.
28th Aug., 1877.

81. *The Chairman.*] If you will be so good?—I will give you an account of the interview so far as I can recollect, but it made very little impression on my mind, as it was mere casual conversation. He said he would take this parcel, shook hands with me, and was going to the door. I said, "By-the-by, how did you get on with Major Atkinson?" He intimated that "it was all right." I said, "You are a lucky fellow: you had better not say anything about it, or else we are sure to have fifty other people wanting the same thing." There was something said about Mr. Brodie going away too. Just as he was leaving me I said, "Tell Brodie not to be telegraphing and making a fool of himself." This had no particular reference to the overdraft, but was general, as I had seen in the newspapers some telegrams which I thought were from Mr. Brodie, in which he rather magnified the importance of his services here. That, so far as I can recollect, was the whole of what took place.

82. Will you be good enough, Mr. Whitaker, to point out—Mr. Macdonald had shown me before that a paper in which he set out a number of things he wanted done. I do not recollect what they were. He did not give me the paper.

83. Will you be good enough to point out the clause in the Financial Arrangements Act under which that payment was made?—So far as I know, the payment was made under clause 19. If I recollect rightly, in the paper Mr. Macdonald showed me he had set out the grounds upon which he made his claim for payment of the overdraft. I did not go into that matter at all with him at any time, and beyond the two conversations I have mentioned I had no other conversations with him in which that subject was mentioned.

84. Can you state whether the payment of that overdraft had been authorised by the Governor under either of the Acts mentioned?—I was in Auckland. If it was authorised, it was authorised here. On all these matters I presume the Treasurer could give you more information than I can. I had nothing to do with it at all.

85. *Mr. Montgomery.*] I wish to ask Mr. Whitaker if he was solicitor to the Bank of New Zealand at that time?—Yes, I was.

86. Since?—Yes.

87. And now?—Yes, I am. The Bank's legal business is done in our office, but I advise personally when it is required.

88. You are their adviser?—Yes, their legal adviser. The details of their business I know very little about. I am not consulted unless some question arises in which my opinion is required; otherwise I know nothing about it.

89. *Mr. Rees.*] Do you know, Mr. Whitaker, of your own knowledge whether this money was paid under any one of the heads under section 19?—I could not tell you. It was paid here, but, as I understood, it was paid under the authority given by clause 19 of the Financial Arrangements Act.

90. Did you have any conversation with Mr. Macdonald about it?—I have already told the Committee the whole conversation I had with him from beginning to end.

91. Did you have any conversation with the Treasurer about it?—I do not recollect that I had. It was the subject of discussion once or twice in the Cabinet, but I took no part in it.

92. Then any course upon which the Treasurer proceeded in the payment of the money must have been in direct communication with Mr. Macdonald himself?—He had made out a statement of the grounds of his claim on a paper, which he showed me. I did not discuss the matter with him; but at the commencement I said I had had nothing to do with it, and as he had begun with Sir Julius Vogel as Treasurer he had better finish it with the Treasurer, Major Atkinson.

93. Did you have any conversation about the Waiotahi overdraft?—I cannot say that I had. I do not recollect that I had. The conversations were very casual conversations, and I do not recollect if there were any conversations about Waiotahi. Mr. Macdonald was not interested in Waiotahi at all. He was Mayor of the Borough, and he was not acting for the Waiotahi Road Board at all, as I understood.

94. Do you know how it was that the Waiotahi overdraft came to be paid off?—I do not. I suppose it was paid off in the same way as the other.

95. Do you suppose that to be the case?—I think so. Of course I am not acquainted with the details. It was the Treasurer's business, and unless some question of law arises and is referred to me, I do not interfere. All the details of the Treasurer's business are carried on in the Treasury itself, and I neither see nor hear of them.

96. Do you know the Waiotahi district on the Thames?—I do.

97. Do you know this road upon which the money had been spent?—I do not. I know all the roads in Waiotahi, but upon which specifically they spent the money I do not know.

98. Do you know whether they have more than one metalled road leading up to any battery?—I do not recollect that they have, but there is one up the Waiotahi Creek.

99. Do you know the name of the battery that runs to?—The battery is—Well, I forget the name of it. There were two batteries there—one belonging to Mr. Weston, and another one called the Shamrock, I think.

100. Did that belong to any Company?—It belonged to a Company.

101. Do you know who the principal shareholders in the Company were?—I was one. There were several shareholders.