

Vogel stated that he was going to advise the Governor in Council to make it £800 a year; and I expressed the opinion that it should only be £700 a year. In the following year, however, the House expressed a wish that the salary, among others, should be left to it instead of its being fixed by the Governor in Council. From that time the salary was always put down at £700 a year, and an asterisk was always put against the item. The note of explanation was to the effect that the salary would not be drawn during the time the Government Insurance Commissioner was also a Minister of the Crown.

26. Well, if this salary was not drawn every year, what was the reason of its being put on the Estimates every time they were brought down?—It was considered fairer to let the House know that the matter was subject to a vote of the House.

27. But what was the object of putting it on the Estimates, if it was known that the money would not be drawn?—It was known that I might withdraw from the office at any moment; and it was considered proper that the House should know that the Government Insurance Commissioner was a paid officer, and, if I resigned it, it might be handed over to any person who was not a political officer, and who, therefore, would have to be paid a salary. As I have already explained, it was always understood that, while the office was held by a political officer, there would be no salary drawn.

28. In 1872 you became Commissioner of Annuities?—I was already the Commissioner, but in that year I became entitled to draw salary for the office. I was entitled to retire a short time before I did so, and I held office longer than was necessary. In fact, I went on a special mission at the request of Sir Julius Vogel, who was then Premier.

29. You pointed out some clause in one of the Civil Service Acts which enables a man, after severing his connection with the Civil Service, to count his previous service if he is reappointed?—Yes, I think that is provided for in the Act of 1858. Take a case like this, for example: a person may have been in the service for twenty years, but through some circumstance his connection with the service is severed; afterwards he may be reinstated in the service, and in that case he would be entitled to claim his previous service. But, of course, the time during which he was absent from the service would not count.

30. If a man resigned from the Civil Service, and went into business on his own account and failed, and afterwards re-entered the service, years afterwards, would you consider that he was entitled to count his former service?—If Ministers reappointed him to the Civil Service, unless they made a special condition to the contrary, they would of course be aware that he would be entitled to claim under the Act the portion of his service that he had given previous to leaving the Government employ.

31. Then, when you accepted the office of Commissioner of Annuities, it was agreed between you and the Government that in claiming your pension you should count your former service?—There was no agreement; but I was in the position of a Civil servant, who could according to law claim that the time he had formerly served should count when he completed his service, and put in his claim for a pension.

32. You say that, during the time you were a Minister, Sir George Grey got opinions from the Law Officers of the Crown and the Auditor-General. Were those "opinions" left amongst the documents in the Government offices?—I think so.

33. *Mr. Reader Wood.*] You have spoken with reference to Sir William Fitzherbert's pension?—Yes, and also with regard to Mr. Domett's pension.

34. Then, with regard to your letter to Sir William Fitzherbert, dated December 22nd, which I understood you to say was in accordance with the views of the Government at the time: In that letter you say, in the beginning of the third paragraph, on page 4, "The Government, however, willingly admit that your case is special, inasmuch as it involves the case of an officer holding his office (in respect of which he claims pension) while also a Minister of the Crown, and that you have also special claims for consideration." Do you mean by that that there should be special claims outside of the law?—What I meant by the word "special" was this: that, if the law allowed it, there was great reason why his case should be specially considered, because he had gone to England on matters of great colonial importance; and I thought, with him, that he was entitled to count the time during which he was in England, but during which also he held the position of Commissioner of Crown Lands in this colony. Mr. Stafford promised that he should be allowed to count that time. If the Law Officers had been of opinion that it was contrary to law for him to do so, we should have had to appeal to the House on the subject.

35. It appears to me that if the law allowed it, he could demand it, and there could be no speciality about it?—We held that we could not do anything unless the Law Officers advised that the thing could be done legally. Of course, in using the expressions which I did, I could not have meant that the Government were entitled to break the law.

36. It appears also that Sir William Fox, who was, I think, the head of the Government, used somewhat similar language. He says, "The circumstances of the case are exceptional, arising out of Mr. Fitzherbert having held responsible offices in the General Government, and his special agency in England. The case ought not to be drawn into a precedent."—It was, no doubt, an exceptional case, and as such he may have thought it inadvisable that it should occur again. I certainly was not of opinion that we were acting outside the law.

37. *Hon. W. Johnston.*] I understood you to say that, when you resigned your appointment in June, 1869, the effect of your resignation was to deprive yourself of any claim which you might have on the colony?—Yes; if the Ministry had been turned out of office between June and November, I should have had no legal claim.

38. And that the effect of your fresh appointment as Commissioner of Annuities was to revive any rights which you had previously?—Yes.

39. May I ask whether, at the time you resigned in June, 1869, you were aware that you were going to take office in the Fox Government?—Yes, I was going to take office with Sir William Fox, Sir Julius Vogel, and Sir Donald McLean. Those gentlemen were already Ministers.

40. Who was Prime Minister?—Sir William Fox.

41. At the time at which you took office as a Minister, did you resign your position in the Civil Service in order to take office?—Yes.