

Then mine to Mr. Logan Campbell, stating that I had sold to Sir Julius Vogel—

J. Logan Campbell, Esq., Auckland.

Wellington, 22nd October, 1885.

TELEGRAM received. Have sold accordingly to Vogel on terms stated. Am sailing South by "Aorangi." If necessary communicate with me, further telegram will reach me to-morrow morning early at Lyttelton; Saturday or after at Waimate.

W. J. STEWARD.

The next is to Sir Julius Vogel, accepting his offer and recapitulating terms—

Hon. Sir Julius Vogel, Christchurch.

Wellington, 22nd October, 1885.

ON behalf of Rotorua Railway Company, I accept your offer for debentures. To prevent possibility misunderstanding, recapitulate terms: No. 1: Fifty thousand at ninety-five, including 2 per cent. interest—that is to say, interest accrued to 30th September. Company will give an order to receive debentures when deliverable. Money can be paid to a trust account with Bank of New Zealand, transferable to company when debentures handed over to you. No. 2: Sixty-five thousand odd figures on similar terms—namely, ninety-five, including 2 per cent. accrued interest; cash for these to be paid on 21st December. No. 3: The forty thousand odd issuable under article seven to be taken at ninety-five, including 2 per cent. accrued interest, or ninety-three ex interest as issued by Government. Also (see clause seven of agreement), in respect of additional interest therein referred to, if this paid in 4-per-cent. debentures am further instructed to offer you such debentures at ninety-three net. If possible to reply before "Aorangi" sails at five to-day, address to steamer; if not, reply to telegraph office, Lyttelton, to await steamer's arrival there.

W. J. STEWARD.

Then a telegram from Logan Campbell, dated the 22nd—

W. J. Steward, M.H.R., passenger "Aorangi," Lyttelton.

Auckland, 22nd October, 1885.

PAY the fifty thousand into Bank New Zealand, Auckland, as in terms of sale.

LOGAN CAMPBELL.

I called on Sir Julius Vogel, asking when payments could be made. On the 24th is a telegram addressed to me at Waimate, from Mr. Batger—

W. J. Steward, M.H.R., Waimate.

Auckland, 24th October, 1885.

BE good enough to authorize Rotorua Railway Company to communicate direct with Sir Julius Vogel, in order that details of the purchase may be carried out. He has no objections. Upon your so signifying to us, will facilitate arrangements in matter of account.

JNO. BATGER, Secretary.

And from thence to him by me in reply—

Rotorua Railway Company, Auckland.

Waimate, 24th October, 1885.

CERTAINLY. You have full authority to complete details with Vogel. Was about to suggest same thing.

W. J. STEWARD.

Then, on the 27th of October, is a letter from me to Mr. Batger, authorizing him to communicate direct with Sir Julius Vogel—

DEAR SIR,—

Waimate, Canterbury, 27th October, 1885.

Referring to your telegram of the 24th instant, suggesting that your company should communicate direct with Sir Julius Vogel for completion of details as to payment of agreed price for your debentures, and to my reply of same date, approving of this course, it has occurred to me that it would be well to supply you with a copy of the telegram addressed by me as your agent to Sir Julius Vogel on the 22nd, and immediately on receipt of Mr. J. Logan Campbell's instructions (by wire) of that date. You will accordingly find copy of message referred to appended hereto, also copy of Vogel's to me of previous day to which it was a reply.

I have, &c.,

John Batger, Esq., Secretary Rotorua Railway Company.

W. J. STEWARD.

Memorandum.—Mine to Mr. Campbell, dated Christchurch, 23rd, re payment of price of first 50,000, as per above, was written in Vogel's presence at Christchurch, approved by him.—W. J. S.

I also produce copy of a telegram from myself on 23rd October to Mr. Logan Campbell, dated from Christchurch.

J. Logan Campbell, Auckland.

Christchurch, 23rd October, 1885.

YOURS this morning re fifty thousand. Purchase-price, £47,500, will be paid to company's credit at Bank of New Zealand, Wellington, immediately on your handing over debentures for £50,000 to Vogel.

W. J. STEWARD.

That is the entire negotiation. All I have to say on the subject is, that I fully recognize the motive with which this inquiry has been set on foot, and I entirely approve of it, as there can be only one result. I am anxious that any foolish stories of the kind that have been set afoot should be cleared away. On the other hand, the matter is practically one of private business, it having been placed in my hands in the way of ordinary business. At the time I was in no other business. I was then out of business as a newspaper man, and I was willing to take up any other work that presented itself. It was not the first time that I had had to do with negotiating large transactions. The fact that Sir Julius Vogel became the purchaser was a surprise to me. I had no idea that the Government were going to make an offer; but when they did make an offer I did not think myself precluded from selling property for the sale of which I was the authorized agent.

18. *Mr. Garrick*.] I would ask if Mr. Steward has any objection to give the date of Mr. Slee's first communication with him, and whether he would have any objection to let the Committee see the letter?—I will give the date. The Committee can see the letter if they wish it; but the letter was marked "private." I will show it to the Chairman if you like.

Mr. Garrick: That, perhaps, would be the better way. I am quite agreeable that the Chairman alone should see it.

Witness: I shall read the letter if you wish it. [Letter handed to Chairman.]

The Chairman: What is the particular point you wish to know about?

Mr. Garrick: I want to know only the date of the letter, and whether there is anything in it bearing on the subject of this inquiry.

Witness: The date is the 18th of September, and it reached me on the 21st. I will give the Committee a transcript of as much of the letter as bears on this matter and my connection therewith.

Mr. Garrick: I think the Chairman should decide whether this letter ought to go with the other papers.

The Chairman: This is a question I cannot decide at once.

Mr. Fulton: Let the Chairman make a transcript of such portion as he may think bears on the subject.

19. *Mr. Garrick*.] I would like to know from Mr. Steward when any arrangement was made, and what arrangement was made, for commission touching the sale of these Waimate bonds?—I have already read them.

20. I did not follow them?—It was that I should have eventually $\frac{3}{4}$ per cent.