

whether it was possible to acquire the land or whether we would acquire it. After that I left. Later on I went away to the Waikato. Mr. Kirk received the first letter during my absence.

197. Colonel Humfrey's evidence is confusing and contradictory on that subject. What we want to know is as to the direct knowledge of the Minister in the matter. Colonel Humfrey gives us to understand that he was authorised by the Minister?—The Minister clearly understood the general position, nothing further than that, at my interview with him.

198. I understand now that nothing occurred between you and the Minister in person which shows that he was a party to your being the vendors?—No, nothing. If, after I left the Minister, nothing further had been done we should have taken no action; there was nothing to act upon.

199. That is what I want to elicit. Was anything said that would lead you to suppose that the Minister contemplated dealing with you as the vendors?—It was really so general that I cannot give a satisfactory reply to your question. The conversation was general. There was no suggestion then as to our acting with regard to the land to be acquired, except as I have stated.

Captain HUMFREY re-examined.

200. *The Chairman.*] We want to ask you a question with reference to the payment of the £3,000 needed for the purchase of this land. It was not on the estimates for 1890–91. Can you give us any reason why that was not placed on the estimates, or explain to the Commissioners why this £3,000 was not placed on the estimates for the current financial year, in which it was likely to be expended?—No; as far as my recollection serves me the greater portion of the purchase had to be completed. They (Messrs. Kirk and Atkinson) had only been paid for two sections. That only represented a third of the amount required. The intention was to place that on the supplementary estimates, but, the Government being turned out, we had no opportunity of doing it—that was, the Government went out, and Mr. Seddon turned me out.

201. Was the £3,000 sent up to the Minister in the usual form, so that it might be put on the estimates?—It was to be provided for on the estimates, but the Government was turned out.

202. The Government was not turned out during the time that any estimates were before the House. The Government was not turned out until the following January?—It was the intention to bring them on the next financial year.

203. Then, the intention was to spend the money first and put it on the estimates afterwards?—As only a portion had been expended, it was not considered necessary to put it on the estimates for the past financial year. The progress-payments would have been met up to date, and the full sum put on the estimates.

204. If it had been put on the estimates for 1891, after the agreement, of course it would have to appear as "Unauthorised." The payment made to Kirk and Atkinson would have to appear as "Unauthorised." Why was it paid out of "Unauthorised"?—Had the Government remained in power the sum would have been placed on the estimates the next financial year.

205. Do you know any reason why it should not have been placed on the estimates for the current year?

206. *Mr. Macdonald.*] Put it in this way: In 1890, when were the estimates prepared?—Well, generally speaking, after the 31st March; after the end of the financial year, and it suits the Minister to go into the estimates.

207. The point is this: In the month of July you agreed to expend the sum of £3,000. Why did not that sum appear either on the estimates or supplementary estimates?—Because Messrs. Kirk and Atkinson had a year to complete the purchase, and it would not be completed until the year 1891.

208. *The Chairman.*] In railway contracts the sum is voted first and spent afterwards?—The whole sum was charged to "Unauthorised."

209. *Mr. Macdonald.*] You do not follow Mr. Saunders. He wants to ascertain why the expenditure contemplated in the month of March—three months before the letter was written in which you had actually decided to purchase—was not included in some shape or form?—I think you will find in the estimates that it had been made to appear in "Unauthorised expenditure."

210. Not in 1890. That is what I want to get you to follow. Mr. Saunders's question does not refer to 1891, but to 1890, when the expenditure had been first contemplated, in the month of March, and absolutely decided. Do you know any reason, as Under-Secretary, why the House was not taken into confidence?—It was my fault. This is my explanation of this: On the 19th September, 1890, we undertook to purchase certain land at Polhill Gully. The purchase was made by Mr. Kirk during that financial year, which we charged to "Unauthorised."

211. Not in 1890?—Yes; for £3,000, to be charged in 1890.

212. *The Chairman.*] We want to know the reason why it was not placed on the estimates?—I did not think it was necessary to do so.

213. You have no answer to give us on that subject?

214. *Mr. Macdonald.*] Is it not usual when expenditure is contemplated and decided upon to at once take some steps to inform the House of it?—Well, I do not know; I do not know that it is.

*Mr. Baker:* If I am asked to get my year's estimates I get them out in May. It appears to me that at the time this purchase was contemplated Captain Humfrey's estimates of expenditure for his department had gone up to the Treasury.

*Captain Humfrey:* Possibly so.

215. *Mr. Baker.*] When were the supplementary estimates for that year made up?—It might have been in the month of July or October, 1890.

*Mr. Baker:* Well, the purchase only occurred on the 19th September, 1890, and, if they had gone on, they would have gone on 1891–92.

216. *The Chairman.*] When did you first communicate with Captain Russell with regard to