of yours would not have arisen, because you would not have been Agent-General?—You will recollect that when Sir George Grey first challenged my appointment I wrote out reasons why I thought he should not do so, and asked him to reconsider the question; to which he replied that he still held former opinion, and requested me to resign the directorship, and asked me to reply Yes or No; to which I replied that shareholders would not think it fair for me to resign for some time to come. Then Sir John Hall, coming into office, took up the view of the previous Government, and, in reply to him, I absolutely declined to name a time for resigning the directorship, and said I was willing to act as Agent-General without pay. My telegram to Sir George Grey was dated the 9th October; on the 3rd of the following month Sir John Hall telegraphed to me. I presumed there was a change of Government in the meanwhile. I am quite sure that, had Sir G. Grey continued in office, after asking me to reply Yes or No, he would have considered my reply a respectful refusal to accede to his request.

91. The idea seems to be this: that as you held that you were really holding office for the convenience of the Ministry you might have resigned, and that as your name was in the Order in Council to raise the loan you would have been entitled to the commission, and that although you did not resign you should be treated as though you had done so?—When it became necessary, in order to enable me to stand for Falmouth, I did not draw salary as Agent-General for the time, but left it undrawn, to be charged against the agency. When I was defeated for Falmouth the salary was paid to me. I agree with what Major Atkinson said just now that it would have been very sharp practice for me to have resigned the Agent-Generalship just at the time when my doing so would have destroyed the whole loan. With all the knowledge I now possess I cannot say I regret not having done so. It would have been an act I should not have been proud of.

92. I notice in your petition, and also in your statement, you say a great deal about the difficulties connected with the raising of the loan, and also in regard to your connection with the Inscribed Stock Act. This might be brought forward as a ground for your receiving some consideration from the Government; but I do not see the bearing of your remarks on this special claim?—The Government had in a measure said to me you must do all you can to get the Agents to agree to the whole of the Five-million Loan being raised. The Agents were averse to more than half the amount being borrowed. I had full knowledge of the whole subject, and was the author of the scheme for the conversion of stock; and through my having made an arrangement with the Bank of England we got the bank to negotiate the loan. But for their considering that that agreement imposed an obligation on them, they would not have brought out the loan. I bring this forward to show that my services were indispensable in the matter, and that had I said to the Government, on the eve of the negotiations, relieve me of the Agent-Generalship, or agree that you will pay me a commission, I should have been placing the Government in a position of either acceding to the request, though they might have thought it most indelicate at such a time, or risking the whole of the loan. Although Major Atkinson says so to-day, that they would have resented such an application and refused it, I hardly think such would have been the case, for the Government were in extreme difficulty. They telegraphed to me that price must be no object in the way, and I think that I could have compelled them to have made the appointment; but I do not think it would have been a course that I should have been proud of adopting.

93. But I do not see the bearing of these remarks on this particular claim?—As showing how necessary my services were in the then condition of the loan; and, though I was virtually holding office only until my successor was appointed, I made no terms.

Such is the position that Sir Penrose Julyan took up. Sir Julius Vogel might have taken up exactly the same position, and yet, as he explains in his evidence, he would simply disdain to take up such a position, and did not think it necessary. He was almost as essential—perhaps more so—seeing the prominent position he took in regard to the Colonial Stocks Act, and the arrangement with the Bank of England; in fact, the absolutely necessary services he had rendered in connection with the negotiation of the Five-million Loan. When he received the telegram from the Government on the 11th of November he might have asked for commission for his services in connection with that loan. If the Government had sent word back that they would not pay, Sir Julius might have fairly replied, "Well, I will not act." The Government, no doubt, would have agreed to terms. But such an idea never occurred to Sir Julius: he left it entirely to the Government. That the raising of the loan was absolutely necessary can be seen by reading *Hansard*, and looking at the position of the colony in 1879. Sir John Hall, and other members of the Legislative Council, voted for it. Although they did not approve of it, it was so absolutely necessary that they could not even afford to delay it until the next Parliament met. The Hon. Mr. Waterhouse moved, as an amendment, That the raising of the loan should be postponed to the coming House; and yet the motion for the raising of the loan had to be carried. Had Sir Julius at first refused to act, unless the Government distinctly stipulated to pay him, his services would have been retained at any reasonable price. Sir Penrose Julyan received £6,250 for his services in connection with the loan; but, unfortunately, Sir Julius Vogel, who left the matter with the Government, never received anything.

Mr. Joyce: Who made the arrangement for that payment?

Mr Vogel: Sir Julius Vogel, who was then Agent-General. I may say, as to the payment, that there was an arrangement made as to the amount to be paid. There were, first of all, two claims—one for negotiation, and the other for conversion. It was subsequently arranged that only one claim should be paid. Sir Julius has always put forward the two claims as alternatives. He does not want to be paid for negotiating the loan and also for conversion of the loan; he only wants to be paid for one or the other. I think the best thing I can do is to read to the Committee the particulars of the money portion of this claim:—

138. *The Chairman* (to Sir Julius Vogel).] You have not yet told the Committee what claim you have on the colony of a money value. Will you please say the amount you claim separately under the three heads—first, for commission on the loan; second, for the commission on conversion; and third, the claim for compensation?—I would point out that in number two I said, as regards my claim for commission on negotiation, if that is not allowed, then I claim commission on conversion; so that numbers one and two resolve themselves into one claim. I consider I am entitled to one-eighth of 1 per cent. on the Five-million Loan, £6,250, the same as Sir Penrose Julyan received. The claim for conversion would come to a similar amount. Under number three I claim compensation for being deprived of the office which Sir John Hall pointed out I was to hold.

139. What do you claim for that?—It is hard to say, but I would point out to the Committee they may reasonably say that if they pay the amount under number two, which Sir John Hall refused to pay, it might be looked upon as a part payment under number three. If they say we cannot deal with numbers one and two, it seems to me that I should receive commission on the amount which was not converted at the date of my leaving office as Agent-General, which was, I believe, £1,600,000, and that compensation should be paid for the loss of an office which, as far as we can see, will go on for a number of years. Sir Penrose Julyan received, I think, during two years some £1,300 or £1,400. He is now receiving £800 a year. So, if you consider the question of compensation for the loss of that office which Sir John Hall pointed out as of great value, I do not think you could give an opinion that it was worth less than £7,000 or £8,000, besides the commission on the £1,600,000. I should be content if the claim under number two, £6,250, were allowed me, and two years' salary, the same as Sir Penrose Julyan receives. I think that would be a satisfactory settlement of the claim.