

the Court, and you would have to transfer the property to Gray, will you contradict them?—After it was decided that property was not to be transferred to Toomey, I told them I had arranged to transfer it to Gray.

172. Did you tell Mr. Hamill a few days before your bankruptcy that the property was to be transferred to Gray?—Yes.

173. How long was it before the actual transfer?—I cannot tell you exactly. It was all done within a very short time. It was all done, perhaps, in a fortnight.

174. Sir Robert Stout has stated that Mr. Macdonald did not take any money out of the concern?—He did not take a penny out of it, but instead has had to pay his share of overdraft.

175. Had you been financing with him?—Yes. There were £275 in Macdonald's account in the National Bank—five bills of £55 each.

176. Would it be correct to say that you had been financing with Toomey and Macdonald from the time of your bankruptcy?—There were various transactions with coal vouchers which the Bank would not be bothered with, and I cashed them with Toomey.

177. Did you give Macdonald orders to repay advances by him, on different customers?—I do not remember having done so. I may have done so on one or two occasions with one firm.

178. Would this be a correct statement of fact: that you had been financing with Macdonald and Toomey at the rate of about £50 per month?—With Macdonald that was the case, in a way, for a year or eighteen months. I do not know how long, as each bill was renewed as it became due.

179. After the sale to Gray was there any change in your position?—No.

180. You simply went on as before in the office in town, and Gray acting as mine-manager?—Yes.

181. And Hamill working on the line as before?—Yes.

182. And before the bankruptcy, and before the sale to Gray, were you drawing a salary?—Yes.

183. Were you drawing a salary afterwards?—Yes. I did not draw it regularly in any way. Sometimes I did not want any money, and sometimes I wanted more.

184. Had you no fixed salary?—No.

185. You just helped yourself?—Yes. I considered it my own, and did what I liked with it.

186. Had you any capital to work this business?—I put in £200 of Mrs. Logan's money in 1891 and 1892.

187. Did you pay in cash when you bought this mine from your father? How much cash was paid?—Nothing was given in cash. There were bills.

188. And you say that after you never had any fixed salary from the concern at all?—That is so.

189. You say, in evidence before the Assignee, that you had been drawing £4 a week?—I was paying away more one month than another, perhaps, but I had drawn on an average £4 a week.

190. Then, you say that you were not a servant of the company at all?—There was no company. I was the company, and I was made bankrupt.

191. Up to that time you were the owner of the mine?—I was.

192. And the railway-line, too?—Yes; I had paid for it. I had an agreement to purchase.

193. *Hon. Sir R. Stout.*] Was there ever a suggestion that I was to indemnify for the payment of the £50. The guarantee was for £250?—The guarantee was for £250. There was no suggestion that you were to indemnify Toomey for the £50. The agreement made at the time the overdraft bond was completed was that Toomey was to be indemnified against paying more than £50; so was Mr. Macdonald.

194. You say you have paid in £200 of your wife's money; when was that money paid in?—The first payment of £100 went into the bank on the 2nd February, 1891. The account was overdrawn before against it. It was on fixed deposit. The last payment, some little time after, was raised by loan on her property.

195. £100 of this money was money your wife got out of her father's estate?—Yes.

196. In 1891?—Yes.

197. *Mr. Lake.*] Tell us what was the reason why, when this business had been nominally transferred to Gray, you continued still apparently to keep the books without any appointment as secretary or anything of the kind?—I looked upon it as my own business.

198. Who did the managing then?—I did, of course. I treated it as my business.

199. After this transfer to Gray you looked upon it as your business?—Yes, certainly.

200. Then Gray was your servant?—Yes. It was against Macdonald's advice giving it to Gray at all, and he would not have agreed to it unless the railway-line had been kept out of the agreement for sale.

201. How came you to be owner after the bankruptcy?—There was nothing in it barring the money that was owing on it.

202. Who put you in it? Sir Robert Stout, as mortgagee, was one of the claimants against you?—No; Sir Robert's firm claimed for law costs. The transfer to Gray was subject to payment of Sir Robert's mortgage.

203. And he practically put you in?—No; there was no alteration in the business. I made all the arrangements with Gray.

204. You contend that you were owner both before and after your bankruptcy?—Most certainly.

205. You were put in as manager to keep the effects out of the bankruptcy?—There was nothing to go in.

206. You said that you were manager, and not Gray?—Certainly; Gray was my servant. He was out at the mine: the solicitor's letter claiming wages shows this.

207. Any debts incurred after the bankruptcy were incurred by you?—Yes.