

108. You sent a circular to the Wardens?—Yes, directing their attention to the requirements of the law, without any instructions.

109. That was asking them to give a certificate?—Those circulars were sent because some of the returns had been sent in promptly and others had not.

110. Well, if you had instructed Mr. Stratford directly to sign the certificate, would he not have done so?—That is the point on which I would not instruct him.

111. Would he have signed them if the Mines Department had instructed him?—I think he might have done so if the Audit Office had not commenced the correspondence, and he had been asked to do so without threats.

112. I take it that, as an officer of the Mines Department, if he had been instructed to give a certificate he would have done so?—Hardly, having regard to the phraseology of section 76—"shall cause to be transmitted." I could not instruct him. You cannot hold an officer in your hands unless you pay his salary, and as the Mines Department does not pay the Wardens it was futile of me to issue instructions when I could not enforce them.

113. He is paid by the Justice Department?—Yes; all the Wardens are paid by the Justice Department.

114. Have you anything further to say?—Then, to show that the attitude taken up by the department was the correct one, after the correspondence had gone on for some time the opinion of the Solicitor-General was obtained. The printed papers laid on the table of the House are not complete. There is a letter missing on which the Warden founds his whole reply. This is, I am advised, the legal position.

115. On what subject?—As to whether Warden Stratford was legally bound to sign the abstract. The Minister of Mines had the matter before him.

116. On the difference existing now between the Audit Office and Mr. Stratford?—Yes. The Hon. the Minister of Mines made inquiries, and was advised that section 76 did not direct the Warden to sign the abstract, and it was pointed out that the section in question directs the Warden in each month to cause to be transmitted to the Minister certain copies or abstracts of licenses signed by him during the month, together with certain memoranda of transfers, &c., affecting such licenses. That thus the Warden legally complies with this provision if he directs some person under his control to do the prescribed acts, and that the duty of signing any return or statement is not cast upon the Warden by the section in question. That if the language of section 73, for instance, is considered with that of section 76, it will be seen that in one case personal duty is imposed on the Warden, while in the other he is only required to cause acts to be done. That is the legal position defined for the Minister of Mines. Now, the Mines Department has been very unfairly placed with regard to the printed papers, because that legal position has never been circulated—it has never been before the Legislature.

117. *Right Hon. R. J. Seddon.*] Was it a question of getting some one else to sign these abstracts or insisting on the Warden doing it?—The Auditor-General insisted on Warden Stratford doing it. With regard to this return, no other department has a similar clause in the Act which it administers, and the Treasury would rely on the cash-books, which have to be sent in weekly. That is the basis of the account. But because this clause happens to be in the Mining Act, and was put in the Act of 1886, when the system of issuing licenses was changed, and it was necessary for the Government to be aware of what the Wardens were doing, it was put in for statistical purposes. Then the Audit Office jumps on this and says you must make out the abstracts in our way.

118. *Mr. Duthie.*] I think it wants two people to give an adverse opinion?—The Auditor-General has made a great point in his statement that the whole of the correspondence was kept back from the Minister. The fact is that I did not think it of sufficient importance to bring it immediately under the notice of the Minister, but as the correspondence went on from time to time I sent it on to the Minister with the following minute: "Although I have hitherto not considered this correspondence of sufficient importance to submit to you, I have more than once mentioned the subject to you, stating that I considered I had no authority to issue a departmental instruction to Mr. Warden Stratford as to the manner in which he was to give effect to the provisions of section 76 of 'The Mining Act, 1891.' I am still of opinion that I should be placing myself in a position which I could not maintain were I to give any such instructions. In compliance with the request of the Controller and Auditor-General, I now submit the correspondence for your information and consideration." That is what led up to the opinion being obtained.

119. *Mr. Fraser.*] What is the date of that?—24th September, 1897. That does not appear in the printed papers. He endeavoured to make the Committee believe that I kept back the correspondence and did not inform the Hon. the Minister; but Mr. Cadman knew what was going on although he had not seen the papers, and warned me not to place myself in any false position.

120. What was the period between the commencement of the correspondence and the time when you informed the Minister?—Twelve months; the 14th September, 1896, and this minute is dated the 24th September, 1897. The Auditor-General also said he never communicated directly with the Warden, but I think that was brought out by the Audit query, which he said was only a printed letter. Then, a great point was made about Mr. Cadman's letter of the 16th October, 1897. On page 7 of B.-20, Sess. II., 1897, in which he says, "In reply I have to state that, after perusing the correspondence, I have come to the conclusion that I believe I could easily have dealt with Mr. Stratford had the question been submitted to me in the first instance, but the matter has now arrived at such a stage as between Mr. Stratford and yourself that I prefer not to interfere." The Committee will remember that. But no attention was directed to the further letter from Mr. Cadman of the 1st November, 1897. Failing with the Warden, the Auditor-General came to the Mines Department; failing with that, he goes to the Minister; and failing the Minister, he comes to Parliament. The whole