92. Why?—Because the wording therein was that the security was a charge upon the Consolidated Fund.

93. Instead of what?—On the public revenues of the colony.

94. Was this debenture under the Aid to Public Works and Land Settlement Act drafted at that time?—I do not think so.

95. Not drafted in June?—I do not think so.

96. Would it be drafted on the 23rd April, when the tenders were opened?—No.

97. Could the Controller and Auditor-General see it on the 23rd April?—No.

98. Could he have raised an objection then?—He could not have raised an objection to the form of debenture at that time.

99. When did he first see the debentures?—Probably between the 27th and 29th July.

100. Was that the first time that he saw them?—Well, I should say so. I am not at all sure whether he saw the debentures before then.

101. Are you sure he saw them between the 27th and 29th July?—That is quite clear if you will look at Nos. 5 and 6 of the correspondence.

102. This form of debenture was drafted on the 27th July?—Some considerable time before that.

103. Was it drafted in June, then?—Without reference to the papers I could not say whether it was in June or July. I should say it was more likely towards the end of June.

104. Did your memory fail you as to what took place in regard to the matter in June or July?—As to what?

105. As to the form of debentures. I am talking of the two forms of debenture—one under the Land for Settlements Consolidation Act and the other under the Aid to Public Works and Land Settlement Act. He objected to the first because it was not textually in accordance with the Act under which it was issued?—Yes.

106. Was the other debenture drafted on the same day?—Oh, no.

107. What difference in time was there between the drafting of the two forms of debentures?—I could not tell you without looking up the papers.

108. Was it a month?—I could not tell you offhand.

109. At all events, you say the Controller and Auditor-General objected to a similar form of debenture?—Yes; to a similar form of debenture issued under another Act.

110. Knowing the Controller and Auditor-General objected to that form, why did you prepare another in similar terms to that to which he objected?—I do not know why that was done. As I have already told the Committee, it was the form which had been used before, and these words were allowed to remain in.

111. What was the form objected to by the Controller and Auditor-General?—The debenture issued under the Aid to Public Works and Land Settlement Act.

112. Was an objection made to another form of debenture under another Act in exactly similar terms?—The terms were not similar, but that does not matter.

113. Not as regards security?—No.

114. What is the difference?—The form of debenture was somewhat similar to that under the Aid to Public Works and Land Settlement Act.

115. What was the security under the Land for Settlements Consolidation Act?—The security was a charge on the public revenues of the colony.

116. Under the Aid to Public Works and Land Settlement Act?—On the Consolidated Fund in the form of debenture.

117. Was the form in the previous case objected to by the Auditor-General altered?—Yes.

118. Was it in May or June?—I could not say.

119. Was it after that previous form of debenture was altered that the debenture under the Aid to Public Works and Land Settlement Act was drafted?—Yes.

120. Was that similar to the debenture under the Land for Settlements Consolidation Act?—Yes.

121. I ask you why, knowing that, did you draft the debenture making the security a charge on the Consolidated Fund, knowing that the Controller and Auditor-General had objected to a similar form?—I can only say the words were left in.

122. Why left in—that is what I want to know?—It was overlooked.

123. If it was overlooked, whose fault was it?—Oh, mine.

124. If delay took place eventually on account of that overlooking, for which you admit you were in fault, through whose fault was it that the debentures did not go to London in time?—The fault of the Controller and Auditor-General.

125. And were you aware that you were to blame at all?—I do not see that I was to blame.

126. Not for overlooking this error?—I do not consider it was an error.

127. You said it was you who were to blame?—I said I was to blame for these words being left in if it was considered wrong that those particular words should be used; but I do not think the words are wrong.

128. Were they in accordance with the Act?—No.

129. Were they right, although they were not textually in accord with the Act?—Yes.

130. In your opinion, is there any one to blame for those words being left in?—I do not think so.

131. Then, any words can be put into debentures, although they are not in accord with the Act?—I do not say that at all.

132. Do you consider you were not to blame for not drafting these debentures accurately after the Controller and Auditor-General had objected to similar ones?—I do not consider I was to blame in connection with that.