120. Did you go to the office before you went home?—I am not sure. I may have gone into the Government Buildings and said to the messenger to put the papers which I had with me on my table. I did not leave the Parliamentary Buildings until after 1 o'clock, and I telephoned to my home that I would be late.

121. *Mr. W. Fraser.*] Would it not be possible, in cases where the holder of a certificate of scrip had not received his debentures, that he would be paid his interest on the presentation of the certificate?—It would be for the Treasury to answer that.

122. If the Treasury chose to arrange that the holder of a certificate of scrip should receive interest on the presentation of the certificate, could that arrangement be carried out?—I think so.

123. *Rt. Hon. R. J. Seddon.*] Could the Treasury commit the colony to the payment of interest on the presentation of a certificate when there is no coupon?—A large number of debentures are issued without coupons.

124. How do you suggest it could be done?—By taking off the first coupon.

125. Do you think that is a safe way to do business?—I think I could do it safely.

126. *Mr. W. Fraser.*] Do you know of its having ever been done?—I do not know.

127. *Rt. Hon. R. J. Seddon.*] Will you tell the Committee deliberately that you did not know there was urgency when these debentures were sent up to you on the 15th August?—I knew there was a desire to send them off, because, as I have stated in my evidence, the Secretary to the Treasury said he was sorry they were late; but, as far as I recollect, an arrangement was made by the Treasury to send up a clerk on the following morning to assist me, and therefore I did not think there was urgency.

128. Did not the Secretary to the Treasury say on the 15th that there was urgency?—It seems that if there had been urgency he would have reported it to you, and you would have taken steps to have the matter settled. I think the clerk's memory is wrong as to the dates. It was on the next morning that I said I would write to the Treasury, and I did write to the Secretary to the Treasury on the 16th August.

129. (To Mr. Heywood:) What is your recollection of what took place: did the clerk tell you on the afternoon of the 15th that these debentures would not be signed, as they were too late for the mail?—I do not recollect that he said so. I would not be ready to say he did not.

130. If he had told you it was impossible to catch the mail, would you have reported that to me?—I think I would have reported to you that there was no chance of the debentures getting away by the mail; whereas I did report to you that they were being signed, and there was every chance of their getting away.

131. On the question of urgency, Mr. Warburton says he did not know there was urgency: what is your recollection?—My recollection is that Mr. Warburton was perfectly aware of the grave urgency of their going by that mail.

132. What leads you to that conclusion?—Because it had been made obvious that there had been great delay up to that time, and there was grave urgency for the debentures to get to London in time to meet the coupons.

133. Was there any delay in sending the Warrant of the Governor to the Controller and Auditor-General?—There was not the slightest delay on the part of the Treasury. The papers will show that. The objection of the Audit Office was raised on the 29th July (No. 6 of the paper). On the same day the matter was remitted for the opinion of the Solicitor-General. On the 12th August the Solicitor-General gave his opinion. On the 13th August the Colonial Treasurer ordered a Warrant to be prepared. On the 14th August the Warrant was sent. On the 15th August the Warrant was referred to the Controller and Auditor-General. It appears from these dates that the utmost expedition was used, so far as the Treasury is concerned.

134. But is there not something between the 29th July and the 12th August? It must have taken the Solicitor-General a long time to give his opinion?—The delay was there, but I cannot say the reason. I am, however, aware personally that the Solicitor-General was engaged upon many important matters at that time. I asked him to give this matter his earliest attention once or twice, and he expressed his regret that he had not been able to do so, but would attend to it at the earliest possible moment.

Mr. R. J. Collins: The document which was sent with the debentures to the Controller and Auditor-General on the 15th August reads as follows:—

The Controller and Auditor-General.

DETERMINATION of His Excellency the Governor with reference to question as to the lawful payment of interest from 1st April last is attached, and the debentures are again submitted for you countersignature.

15th August, 1901. JAS. B. HEYWOOD.

Then follows a pencil-note made by Mr. Warburton:—

Received 15th August at 1 p.m.

Then another minute from Mr. Heywood to this effect:—

The debentures will be sent to the Agent-General for delivery only upon the surrender of the relative scrip representing the aggregate amount of each parcel of debentures. JAS. B. HEYWOOD.

[Document handed to Chairman, and passed to Mr. Warburton at his request.]

Mr. Warburton; "Received" is struck out with pencil. I do not know the reason why.

135. *The Chairman.*] Did you strike it out?—I did. It is all in my handwriting. I may say that this postscript of Mr. Heywood's was written at my request on the 16th August.

136. *Rt. Hon. R. J. Seddon.*] Why did you put this memorandum on the paper?—Probably, seeing the papers on my table when I got back, I would put that on, and that would be consistent with Mr. Collins saying it was laid there at 1 o'clock.

137. Would you do that in case of the paper being type-written?—Anything in pencil is not type-written. That is the general rule, unless I write a whole memorandum in pencil.

138. This postscript was not on the paper when it went up to you?—No. Thinking there was no fault in the debentures, I asked Mr. Heywood to write that in order that I might have his assurance, so that the Audit Office might feel it was doing right in countersigning debentures which, with the scrip, would have made a larger amount of security than this Act authorised.

139. Was this put on after the papers were sent back to the Treasury, or before the debentures