

tion was required to make the figures harmonize with the other figures. If I had altered the expenditure throughout by £95,000 it would be most important indeed, and such a thing as no man would think of doing.

406. Look at the "Conclusion" paragraph: "The figures as showing the loan expenditure during the several years are as follows"—and then they run out to £295,000. Do you not think to alter that and add one-third more, making it £391,000, is altering a very large mistake?—If the tables had not shown from the beginning that £391,000 was right, and also the Statement itself on page 2, I should be disposed to agree with you. But certainly under the circumstances I do not consider that the alteration was of more than usual importance.

407. On page 2, in the table, why do you call it £391,612, when you alter it in the "Conclusion" paragraph to make it £111 less?—That I explained three or four times yesterday. The £111 was a credit which came during the year, and that was deducted off the expenditure in one case, and not in the other.

408. *Mr. Wright.*] In your letter of the 26th July, Mr. Blow, you said that the Accountant's office gave the net instead of the gross figures for 1891-92?—Yes.

409. Will you turn to page 9 of B.-2 of the Appendices of 1892. At the bottom of the third column, what is set down there?—£391,612.

410. What is the heading of the column?—"Net Expenditure for the Year 1891-92."

411. Net expenditure of Public Works Fund?—Yes.

412. How do you reconcile these figures with your statement, that it was because the Accountant's office gave you the net figures that led to this error in the Public Works Statement?—That table was not prepared in our department at all.

413. Not prepared in your office?—Certainly not.

414. Has your office not the use of it?—We see it, of course, as we see all other parliamentary papers that are issued, but we do not learn them all off by heart.

415. Perhaps you will say whether this is correct?—Yes, I have already stated yesterday that the expenditure was £391,612.

416. How have you arrived at the fact that your net expenditure was £95,634 less than the Treasury show it?—Because the Treasury in keeping their books have two sides to their accounts, as they deal with revenue as well as with expenditure. We are simply an expending department, and keep no revenue accounts. Ordinarily, we have no receipts. When we have any, we deduct them off the expenditure.

417. The difference between £391,000 and the £295,000 you explain in your letter as being an item of receipts in aid of Public Works Fund?—Yes.

418. Are these receipts-in-aid set out upon page 26 of B.-6?—They are set out in the Public Works Statement, in Table No. 1 of the Appendices.

419. If you will turn to page 26 of B.-6?—Yes; I see that they are set out there.

420. So that, are we to infer that when this Public Works Statement was written, the Minister had before him one table of expenditure, losing sight of this supplementary table?—No; I do not think you are to infer that the Minister had this before him at all. What reason has the Committee for assuming that the Minister had this before him?

421. That is not a proper answer to the question. What I want answered is, Whether the Minister in preparing his Statement had before him the supplementary statement showing the receipts in aid of Public Works Fund. Do not the figures £95,634 appearing on page 26 of B.-6 in the Appendices for 1891-92 represent the difference between what you call the net and the gross expenditure upon public works for that year?—Yes.

422. Do you still adhere to the statement that the whole error arose from the Accountant's office giving the net figures instead of the gross?—Yes.

423. The heading in Table B.-2, page 9, of the Financial Statement, 1892, will be incorrect then, as it shows the net expenditure to be £391,612 5s. 7d.?—No; I should not like to say it is incorrect. From a Treasury point of view and from a Public Works point of view may be very different things. The Treasury keep their books in quite a different style.

424. Does not the net expenditure shown in this table agree with your actual expenditure?—Not with my net expenditure; it agrees with my gross expenditure.

425. Does it not agree with the actual expenditure as you have corrected it?—Not as I have it in the "Conclusion" paragraph.

426. With the exception of the £111?—With the exception of the £111 it does agree.

427. Then your statement of the net expenditure is manifestly at variance with the Auditor-General's statement of that expenditure?—You are not quoting from the Auditor-General's statement?

428. Yes, I am quoting from a statement by Mr. FitzGerald?—It has been audited and examined by him, just as the Public Works Statement is audited and examined; but it is a Treasury table you are quoting from. I may explain: The fact of the £95,000 of receipts-in-aid not being brought to credit in the Treasury account is abundantly apparent, for the reason that the total credits under Part I. of the Public Works Fund reported by the Treasury only amount to £44,000 altogether.

429. You have stated, in reply to Sir John Hall, I think, that, if the alteration was very material, you would doubtless mention it to the Minister?—If it were material I would mention it, certainly.

430. You would mention it to the Minister?—Undoubtedly I would.

431. Therefore we are to understand that an alteration to the extent of £95,634 was not considered material by you?—If the Committee come to that conclusion it will not be in my evidence.

432. Then you stated that you thought the Minister wished to convey the idea that the expenditure had been less than in previous years?—Yes, those are the Minister's words.