

agree with the tables and the Financial Statement. I have nothing further to add, but in conclusion to say, had I had the remotest idea that any one was not aware of the fact that a correction had been made at the time, I, at the commencement of the session, would have told the House of it. It had appeared in the public prints, and members generally understood it. Thus, of course, I did not think there was anything further to be done. Had Mr. Richardson and Mr. Mitchelson not been correct, I should at once have taken an opportunity of interrupting and saying they were entirely wrong. The very fact of not questioning their statements, seeing the position they held, and that Mr. Mitchelson by arrangement was opening the debate, was sufficient. Had I questioned it at all I should have contradicted the statement there and then. And it lies on my mind that I did, personally, to him, say he was right; and, had the Under-Secretary not have made the correction I should have asked the House to make the correction, and withdrawn the Statement.

689. *Dr. Newman.*] When Mr. Blow stated that Mr. Mitchelson was right about this £95,000 did you acquiesce in his alteration of the figures in the Statement?—I have already said so. The first question I asked him was if he had corrected it. I think I said, "This must be corrected at once, then;" and his answer was, I think, "I did so the next morning." He gave his evidence, I believe, correctly, when he said the first question I asked was when he discovered it; and he replied, the night it was laid on the table. I then said, "This must be corrected," and he said, "I did so the next morning." That was his evidence, and I think it is a correct statement of the facts.

690. Is it not rather odd you did not know the expenditure yourself was £391,000, and not £295,000?—No; there is nothing remarkable at all about that.

691. Why not?—In this way: Had a member of the House, or any one outside my office, given me these incorrect figures, or given me the net instead of the gross, I should at once, of course, have verified them. But when I ask my under-secretary to supply me with figures for a specific purpose, I should not question the acceptance of them. He gave me the expenditure for six years, and I might just as well have questioned any or all of them. Being given in this way, and acted on immediately, it would draw me from reflecting and from looking up the statement, supplied, perhaps, a month before.

692. Did it strike you as extraordinary or not that a Civil Servant should make a correction of such magnitude, and bottle it up, saying nothing about it to his Chief?—I should have thought so had it not been that, in making inquiries, I found he had been following the usual custom. I may tell you that I did make inquiries.

693. You are aware certain figures—£391,501—are now put down. Do you approve of these figures as correct finally?—Yes. According to rule, the recovery credit of £111 is correctly dealt with; and, I may say, the net amount of expenditure has been put in in some Statements, and not in my Statements either.

694. Have you got a Public Works Statement like that?—No.

695. Will you turn to D.-1, Table I., page 2; you will see the expenditure to 31st March is £27,275,000?—Yes.

696. Do you think it a pleasant or right way of putting things that the expenditure should be put in that way; whereas, as a matter of fact, it was £95,000 more?

*Mr. Guinness:* Is this relevant to the inquiry?

*Dr. Newman:* Certainly it is; and it is a piece of unwarrantable interference on the part of any member of the Committee to interrupt in this way.

*Mr. Guinness:* We are not here to ask a Minister what it is proper to do; and these figures are not even in dispute.

*The Chairman:* I think the question is out of order.

696A. *Dr. Newman.*] I am going to ask your ruling, but you have not yet heard the question I was going to ask, and which I maintain is entirely within our scope. It has to do closely with the figures which it is alleged have been altered. Can you tell us, Mr. Seddon, why the £391,612 is reduced by £111, and the figures in the last column, £680, £954, £30,000, and £64,000, are not dealt with in the same way?—The £111 is a recovery, which it is always the practice to credit, and that reduces the odd £612 to £501.

697. Is it usual to class that £111 in the same category as the other receipts in aid?—No, it is not. Otherwise the amount put into the Statement is absolutely correct.

698. Will you tell us why you object to show us all the paragraphs of the Public Works Statement and only allow us to see the last one?—My only objection is nothing has been referred to by the order of reference except the alterations. The order is clearly defined, and in plain terms. The reason it is asked for, I suppose, is to see how the Public Works Statements are constructed; and if you apply that to other Ministers' Statements, where is it to end? The member for Ellesmere will tell you it is private property, and there is no right to bring it before the Committee. There is nothing against it, only it would be a very bad precedent to admit. It is private, and it does not help the inquiry in any way. It is only asked for, in my opinion, out of curiosity.

699. Can you explain how it is that the accounts are made up and audited as correct by the Treasury Department, and afterwards the department make a second edition of this Public Works Statement stating the corrected figures, the £111, three times over: how does that come about?—I could not tell when the discovery was made, or how they came to make it. I can tell you this, however: I find the greatest difficulty in making the Statements agree. The way the Treasurer keeps his accounts and we keep ours are different. I have found the greatest difficulty in getting them to agree, owing to the different systems. The same thing will occur to-morrow, and has occurred, if you go back you will see, for years. You can go back, as I have gone back this last month, to 1870, and find the same thing. You can make them agree.

700. Do you approve of the Public Works Statement as finally issued?—As it appears in the Appendix now, do you ask me?

701. Do you approve of it now, as bound up in the Appendix?—Certainly.