

## MINUTES OF EVIDENCE.

WEDNESDAY, 27TH SEPTEMBER, 1905.

JOSEPH WILLIS examined. (No. 1.)

1. *The Chairman.*] What are you?—I am a clerk.

2. And your address?—Christchurch.

3. You are interested in this petition with your petitioners who are on the staff of the Civil Service employed in the Post-office at Christchurch [Petition read]?—That is so.

4. Do you desire first of all to make a statement?—I think it would be as well if you would give me the option of making a statement, and that will put the matter clearly before you.

5. Very well, then, make your statement?—Well, sir, I should like to draw your attention to the fact that before the Auditor-General's inquiry was commenced we asked that the inquiry should be open to the Press, and also that there should be cross-examination of witnesses, because we as witnesses had nothing to fear from cross-examination, because we had nothing to conceal, whereas the other side had something to conceal: they were anxious to conceal certain facts, and unless we had the opportunity of cross-examining witnesses we should have no chance of proving our case. The result proved exactly as we expected. Certainly evidence was taken which, if we had only had the right of cross-examination, would have broken down immediately. Immediately I saw the nature of the inquiry which was set up I recognised that fact, and I asked Mr. Fisher to present a petition to the House asking for a public inquiry, and also asking that cross-examination should be allowed. When the Auditor-General's inquiry was set up it was set up at the instigation of certain departmental officers who chose to consider themselves in the light of accused persons. They also nominated their own judge, and the inquiry, as a judicial inquiry, of course, was a perfect farce. Evidence was taken, as I say, and from the point of view of any one who had anything to conceal it was a very nice inquiry. You know that if you want to get certain things out of a witness you have to put your question to him and get your answer back at once. The way the Auditor-General's inquiry was conducted, a man could state exactly what he pleased and could take as long as he liked, and if there was anything he did not want to appear he could correct or alter it. That was the inquiry that was to bring forth certain facts. Further, the order of reference of the Auditor-General's inquiry was restricted; I was not given access to certain papers which, if placed on record, would have given me the opportunity of proving my case. In the first instance when I came up to Wellington to give evidence I thought I was to be allowed to examine any books likely to contain a record of such a payment. When I went there I did not consider the fact that the examination they proposed before me would not give me the opportunity of proving my case. The consequence was immediately after the inquiry started the whole complexion of the case changed. When I went to look for this voucher in the first instance I knew it existed, and I expected to find it; but after further examination things began to change, and we found that we were looking for an illegal payment. There was nothing about the document that we four men saw which would make it an illegal payment or improper payment. The only thing we considered suspicious about the voucher was that it was for services rendered in Wellington and paid for in Christchurch, and, on the other hand, I did not consider that Captain Seddon was a competent person to perform those services. Later on the complexion of the whole thing changed, because Mr. O'Sullivan and Mr. Grey gave evidence to the effect that the service was not performed, and that altered the complexion of the whole inquiry. We were not then looking for an improper payment or suspicious payment, as we imagined, but looking for a fraudulent payment, and therefore the inquiry that we had gave us no opportunity of establishing such a thing. The Auditor-General would not consider the question of fraud, and his books for our inquiry are, to a very great extent, defective in the fact that they do not show certain particulars. In the Auditor-General's books the only facts that are recorded are the numbers of the vouchers and the amount of payment, but there is no name of the payee and no particulars of the service rendered. To get that he has to go to other Departments. Now, I begged particularly to be allowed to see the records in the Treasury and the other Departments which gave the particulars of the services rendered, and also the names of the payees. Now, Mr. Warburton said to me in respect to that question, what was the use of any such thing; it would simply prove his books right or wrong. He said the entries in the Treasury books were made by clerks who were liable to error, and I asked him did he not consider his own clerks were liable to error, and he said No; and apparently he considered his own books were absolutely infallible and his clerks absolutely infallible. His officers commenced to search with the idea that I had to a certain extent cast a slur on their Department, and that their Department was under suspicion of having allowed a fraudulent payment to go through unchecked. For that reason the Auditor-General was hardly the person that should have been set up to inquire into this payment. I think I am right in saying that. Then, again, I was giving evidence under examination by the Auditor-General, I should say, for something like fifteen to eighteen hours, and during that time I gave a whole lot of evidence. It would have been evidence if it had been before a proper inquiry, but not half of that appeared in evidence. For instance, one of the most important parts, so far as the inquiry was concerned, was the fact that I showed Mr. Warburton a copy of the two vouchers, placed them alongside of each other, and asked him did he think it possible that a man with average intelligence, and who was not a candidate for a lunatic asylum, could make such a mistake, and he had to admit that there was no possibility of mistake. I showed him the copies that I have here, and he carefully examined them. [Copies handed to the Committee.] I asked him was it possible for a man who has been handling those vouchers for a number of years, who had had twenty-two years in the