

were defective in one point. He said that auditors did not keep books, but I pointed out that he was also Controller of the Public Account. When I asked for a copy of my evidence he seemed to think that my having commented on his books was improper, and he refused to give me a copy of the evidence, unless I gave him a promise that I would make no use of it—I was under a disadvantage right through, and I did not have an opportunity of proving my case. Then there are also facts which show that one of the witnesses placed on record the fact that Larcombe had told his wife of the payment at night when he went home. Mr. Larcombe went home the night that he handled the voucher, and he told his wife that young Seddon on that day received an amount of £70-odd, and that he was quite satisfied that he was not capable of performing the service. Mr. Warburton said that was not allowed, and Larcombe asked if Mr. Warburton would call Mrs. Larcombe, but he would not, and yet later on he allowed another witness to place on record that Larcombe had told his wife, which goes to show that Mr. Warburton did not give the witness every chance, which he should have done, and which a man conducting a judicial inquiry, or Judges in charge of an inquiry, would have given him. It was taken up by the *New Zealand Times* and by the Premier that Larcombe's evidence was unreliable, and that he had told one witness that he had told his wife, although he did not place that fact on record, although he asked to be allowed to do so, and neither was his wife allowed to be called. So far there has been no suggestion of anything but the fact that we were honestly mistaken that we saw a certain voucher. We had no motive to gain by concocting a story; Larcombe is a man with twenty-two years' service, he is a married man with one child, he is a man whose record is absolutely spotless, and the only reason that Larcombe came into this affair was the fact that he was asked the question whether he would or would not tell the truth in reference to it, and he said he would. That was after the debate in the House of Representatives. There was no motive for it. The only suggestion is the possibility of our being mistaken. You have seen the two documents, and there could be no mistake. Then there is the stated fact that we were hoaxed, that a faked voucher was put upon us—that is ridiculous. The voucher we saw had just left the hands of Mr. McBeth, and he had just countersigned a cheque for that voucher. Otherwise Larcombe would not have seen it, because it was placed in the basket on McBeth's table as he had just dealt with it. There was nothing particular about the voucher which would make it suspicious except that he noticed it was for the Premier's son, and that it was for certain services performed in Wellington and paid for in Christchurch. If Larcombe had not so carefully examined the contents of that basket, he would never have noticed the voucher at all; he had to examine every article in that basket for distribution, otherwise if he had not he would never have noticed what he did and never brought it out to show me. After he had seen it he carried it forty yards and showed it to me, and I examined it before the window for several minutes. I pointed out to Larcombe several points which he had not noticed; I pointed out that it was for services rendered at Wellington and paid for at Christchurch, and also that Seddon was not capable of performing them. Shortly after West came into the room, and Larcombe said, "West, go and have a look at the voucher in McBeth's room that Seddon has just signed," and West came back and said, "What in the world does he know about Defence Stores!" Then London, the fourth witness, did not know that we were the three men who had given the affidavits. He was working in a different building—in the Savings-bank in Hereford Street, and we had no communication with him at all, and on the Saturday before we were ordered to go to Wellington I went into the Chief Clerk's room, and on my pad I saw written "R. J. S. Seddon." I turned round to Larcombe and asked him what it meant, and he said, "London has just been in here and he is worried about this thing, and he says he remembers the voucher distinctly, and he has written on this pad the signature as he remembers it." I could not see London then, but I did afterwards, and before he started to say anything I said, "Are you perfectly satisfied you are making no mistake about that voucher," and he said, "No mistake—that is the signature as I remember it." London had never met Captain Fisher, but I do not know whether he knew Mr. Taylor, and on the Sunday when he came up to give evidence in Wellington I introduced him to Captain Fisher, so there was no need of suggestion that he came forward to assist Captain Fisher or had come forward to assist us, because he did not know we were in it until this particular point, and also at this time that he came forward matters had got so critical that he knew the risk he was taking. I wish to put on record this fact that we were under a great disadvantage at this inquiry, for this reason: that owing to there being no cross-examination we had virtually to cross-examine ourselves on certain points, as far as our evidence to some extent had been discredited by the statement or certificate given by Mr. McBeth, the Chief Postmaster. Mr. McBeth gave a statement to the effect that no payment had ever been made at his office to Captain Seddon. He gave a certificate to this effect—that Captain Seddon had never been in his office, and that he had never received any payment in his office. Well, we had virtually to cross-examine ourselves on that point, and we were at a great disadvantage, for instance, to disprove or show the value of McBeth's evidence. Mr. London tried to put on record this statement, that eight months after Mr. Morris, his present Chief Clerk, had been in the office, he (Mr. McBeth) had several times turned round to London, who was a clerk in his room, to ask him the name of his Chief Clerk, and the Auditor-General said it was too strong, it should not go in. When you get a point like that which is too strong, that sort of thing would never be considered at a judicial inquiry. It shows that a man who can forget the name of his Chief Clerk—a man who has been employed with him and working with him for eight months—is not likely to remember that a certain person whom he does not know personally has ever been in his office, or a certain voucher had been in his hands eighteen months ago. With reference to Mr. McBeth, we were at a great disadvantage at that time, because we thought that the voucher would come to light, and we did not think matters would assume the serious nature that they have. We had to consider this fact, that in the event of the voucher being found we did not want to do Mr. McBeth too much damage, and for that reason placed as little as possible on record against him; but now, owing to the fact