

1893.
NEW ZEALAND.

PUBLIC ACCOUNTS COMMITTEE.

(REPORT ON ALTERATION IN PUBLIC WORKS STATEMENT, 1892, TOGETHER WITH MINUTES OF PROCEEDINGS AND EVIDENCE, AND APPENDIX.)

Report brought up 6th September, 1893, and ordered to be printed.

ORDERS OF REFERENCE.

Extract from the Journals of the House of Representatives.

WEDNESDAY, THE 28TH DAY OF JUNE, 1893.

Ordered, "That a Committee be appointed to examine into and report upon such questions relating to the Public Accounts as they may think desirable, or that may be referred to them by the House or by the Government, and also into all matters relating to the finances of the colony which the Government may refer to them; five to be a quorum. The Committee to consist of Mr. Guinness, Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Dr. Newman, Mr. Saunders, Hon. Mr. Seddon, Mr. Shera, Mr. Tanner, and the mover."—(Hon. Mr. WARD.)

WEDNESDAY, THE 5TH DAY OF JULY, 1893.

Ordered, "That the names of Hon. Sir R. Stout and Mr. Wright may be added to the Public Accounts Committee."—(Hon. Mr. WARD.)

WEDNESDAY, THE 26TH DAY OF JULY, 1893.

Ordered, "That Paper No. 142, Public Works Statement, 1892: Explanation by the Under-Secretary for Public Works as to error in, with a letter from Mr. Speaker to the Hon. the Premier, be referred to the Public Accounts Committee."—(Hon. Mr. SEDDON.) (*Note*.—The enclosure referred to is printed in Appendix p. 41.)

THURSDAY, THE 10TH DAY OF AUGUST, 1893.

Ordered, "That the Public Accounts Committee have power to call for persons, papers, and records, in relation to all matters referred to them."—(Hon. Mr. SEDDON.)

REPORT.

THE Committee have the honour to report that they have considered the papers referred to them regarding the error made in the Public Works Statement of 1892, and the charge founded thereon, and have also examined persons and papers. They find the facts to be as follows:—

1. The Public Works Statement was laid on the table of the House of Representatives on the 27th September, 1892, by leave of the House, and the following copies were circulated—namely: 180 to the House of Representatives, 69 to the Legislative Council, and 46 to departments; making a total of 295. After the Statement had been laid on the table it was discovered by Mr. Blow, the Under-Secretary for Public Works, that it contained an error in the text at page 14. This error was in the figures of expenditure for the year 1891–92. It was given in the Statement as £295,978, instead of £391,501. Mr. Blow discovered this error soon after the Statement was laid on the table, and he had it altered in the printing office the next day or the day afterwards, making the amount correct—namely, £391,501. There was also a slight error in the table called D, annexed to the Statement, through an omission of a credit of £111. This table was altered to Table C, and the figures "£111" were inserted in the last column under the heading of "Expenditure of 1891–92." The insertion of these figures necessitated the alteration of the addition of that column in three particulars—namely, from £70,957 to £70,846, from £312,482 to £312,371, and in the total from £391,612 to £391,501. These alterations in Table D were made by Mr. Clapham, Accountant to the Public Works Department. All these alterations were made without Mr. Seddon's knowledge.

2. The error in the text occurred through Mr. Seddon having used the figures given on a slip of paper handed to him by Mr. Blow, and which contained the expenditure in the seven financial years, 1885–86 down to 1891–92. This was in the handwriting of a cadet in the office to whom it was dictated. It gave the expenditure for 1891–92 as £295,978.

3. Mr. Seddon, assuming that these figures were correct, issued the Public Works Statement containing the two following paragraphs: (At page 1.) "Results have proved, however, that fair progress has been made with our necessary reproductive public works, and yet the expenditure thereon has been less during the past year than it has been for years past, and still the colony has advanced." (At page 14.) "For the purpose of showing how the 'tapering-off' policy succeeded by the self-reliant non-borrowing policy has affected our public-works expenditure during the last few years, I give the following figures, which represent the total expenditure under the Public Works Fund during each of the years mentioned, and which bear eloquent testimony to the self-sacrificing spirit exhibited by our colonists in accepting with thorough goodwill the decreased expenditure which that policy has entailed, and which also afford the fullest evidence of the resources and capabilities of the colony, seeing that, notwithstanding this enormous diminution in our loan expenditure, the country is becoming year by year more prosperous, and its financial position steadily improving. The figures showing the loan expenditure during the several years are as follows—namely: 1885–86, £1,475,386; 1886–87, £1,333,484; 1887–88, £966,159; 1888–89, £613,939; 1889–90, £482,464; 1890–91, £334,756; 1891–92, £295,978." (The correct expenditure for 1891–92 was £391,501.)

4. Reference to the small table printed at page 2 of the Public Works Statement would have shown that the statement on page 14 was inaccurate. On page 2 the total expenditure is put down as £491,612, but a note is added that in this amount there was included £100,000 which had been paid off the floating debt. Deducting this sum from the £491,612 it will be seen that the expenditure on public works was £391,612. The small credit of £111 had not been brought forward when this table was constructed.

5. Reference also to Table C of the Public Works Statement would have shown that the amount given on page 14 of the Statement was inaccurate; in the table it appeared as £391,612.

6. The Statement as altered by Mr. Blow was circulated as follows—viz.: To the Reader of the House twenty-five copies, on the 3rd October, and twelve copies on the 6th; none to the Council, and three hundred and sixty-three to departments of the Government. One thousand five hundred copies in all of this altered Statement were printed.

7. The *Hansard* report of the Public Works Statement was printed from the Statement laid on the table, but was corrected by the Reader in the printing office without reference to Mr. Seddon. The correct amount of the expenditure appears in *Hansard*.

8. The Public Works Statement was discussed on the motion for going into Committee of Supply on the 5th October. In this debate reference was made to the error in the text of the Statement by the Hon. Mr. Mitchelson and the Hon. Mr. Richardson: and the error was not contradicted or explained. The debate did not conclude until after 4 a.m., and Mr. Seddon lost his right of reply, he having been asleep when the Speaker put the motion.

9. The next time that the Public Works Statement came up for reference in the House was on the debate on the Public Works Appropriation Act, on the 10th October, but neither then nor on any other day was any reference made by Mr. Seddon to the error; the session closed on the 11th October.

10. Mr. Seddon did not alter the Public Works Statement; nor was he informed of the alteration until the 5th October, during the debate on the motion to go into Supply. He then asked Mr. Blow for an explanation of the error which had been referred to by the Hon. Mr. Mitchelson and the Hon. Mr. Richardson, when he was informed by Mr. Blow that it was an error, and that he had corrected it.

11. Mr. Seddon was asleep when the Speaker put the motion to go into Committee of Supply and consequently, did not reply to the comments made in the House about the mistake.

12. The Committee are of opinion that, in altering the text of a Ministerial Statement after it had been laid before Parliament, and without even informing the Minister of what he had done, Mr. Blow committed a grave indiscretion. They consider that no alteration of any parliamentary paper, after it has been laid on the table of the House, can properly be made without the sanction of the House.

6th September, 1893.

J. M. SHERA,
Chairman, Public Accounts Committee.

MINUTES OF PROCEEDINGS.

[NOTE.—Other business than that relating to the alteration in the Public Works Statement, 1892, is not printed, and where other business occurs it will be shown by a line of asterisks.]

WEDNESDAY, 26TH JULY, 1893.

Present: Mr. Shera (Chairman), Mr. Guinness, Hon. Sir J. Hall, Mr. G. Hutchison, Dr. Newman, Mr. Saunders, Hon. Sir R. Stout, Mr. Tanner, Hon. Mr. Ward.

The Orders of Reference of the 28th June, 5th July, and 18th July, 1893, were read by the Clerk.

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The Hon. Sir J. Hall moved, "That the Prime Minister, in his place in the House, having expressed his desire that the alteration which was made in the Public Works Statement of last year, after it was laid on the table, and before its insertion in the Blue Books, should be inquired into by the Public Accounts Committee. The Committee will proceed with such inquiry on any date that may be convenient to the Premier."

After some discussion, the Hon. Sir J. Hall asked leave to withdraw the motion, and substitute the following in lieu thereof: "That the Committee proceed, on a date that may be convenient to the Premier, to inquire into the facts bearing on the allegation made in the amounts stated in the Public Works Statement of last year, after it was laid on the table of the House."

The Hon. Sir R. Stout moved, by way of amendment, "That as the alteration of a Public Works Statement is not a question of public accounts, this Committee has no power to consider it, unless it is referred to the Committee by the House."

Upon the amendment being put, a division was called for, and the names were taken down as follows:—

Ayes, 4: Mr. Guinness, Mr. Saunders, Hon. Sir R. Stout, Hon. Mr. Ward.

Noes, 4: Hon. Sir J. Hall, Mr. G. Hutchison, Dr. Newman, Mr. Tanner.

The votes being equal, the Chairman gave his vote with the *Ayes*.

Motion lost.

Upon the amendment being put, as the substantive motion, it was resolved in the affirmative.

Mr. G. Hutchison moved, That the resolution just agreed to be reported to the House.

Upon the question being put, a division was called for and the names were taken down as follow:—

Ayes, 3: Hon. Sir J. Hall, Mr. G. Hutchison, Dr. Newman.

Noes, 5: Mr. Guinness, Mr. Saunders, Hon. Sir R. Stout, Mr. Tanner, Hon. Mr. Ward.

Motion negatived.

On motion of the Hon. Sir R. Stout the Committee adjourned *sine die*.

TUESDAY, 8TH AUGUST, 1893.

Present: Mr. Shera (Chairman), Mr. Guinness, Mr. G. Hutchison, Dr. Newman, Mr. Saunders, Hon. Mr. Seddon, Hon. Sir R. Stout, Mr. Tanner, Mr. Wright.

The minutes of the previous meeting were read and confirmed.

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Resolved, on the motion of the Hon. Mr. Seddon, That this question, referred to the Committee, be considered on Thursday next, and that Mr. Blow be asked to attend.

The Committee then adjourned until Thursday next.

THURSDAY, 10TH AUGUST, 1893.

Present: Mr. Shera (Chairman), Mr. Guinness, Hon. Sir J. Hall, Mr. G. Hutchison, Dr. Newman, Mr. Saunders, Hon. Mr. Seddon, Hon. Sir R. Stout, Mr. Tanner, Mr. Wright.

The minutes of the previous meeting read and confirmed.

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The Committee took up the consideration of this matter.

The Hon. Mr. Rolleston and Mr. George Friend, Clerk of the House of Representatives, attended and gave evidence, which was taken down by the reporter.

The further consideration of the matter was adjourned until to-morrow, at 11 o'clock.

The Committee then adjourned until to-morrow, at 11 o'clock.

TUESDAY, 15TH AUGUST, 1893.

Present: Mr. Shera (Chairman), Mr. Guinness, Hon. Sir J. Hall, Mr. G. Hutchison, Mr. Saunders, Hon. Mr. Seddon, Hon. Sir R. Stout, and Mr. Wright.

Minutes of the previous meeting read and confirmed.

Order of Reference of the 10th August read by the Clerk.

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Mr. Blow, Under-Secretary of Public Works Department, attended and gave evidence, which was taken down by the reporter.

Mr. S. Costall, Government Printer, was also in attendance.

During the examination of Mr. Blow, Mr. G. Hutchison asked that the whole of the draft manuscript of the Public Works Statement, 1892, be produced. The Premier having objected to produce the whole, consented to produce that portion of the original manuscript of the Public Works Statement, 1892, headed "Conclusion," in which the correction of the figures had been made.

After discussion, Mr. Blow and the reporter were readmitted.

Mr. G. Hutchison asked what part of the Statement would be produced, and the Hon. the Premier consented to the manuscript of the "Conclusion" of the Statement being produced.

Produced accordingly.

Mr. G. Hutchison afterwards asked for the production of the manuscript of the Public Works Statement, 1892," as presented on page "One" of the Record copy of the House, because it was associated with the concluding part. The question being objected to as irrelevant, Mr. G. Hutchison, nevertheless called for the production of the document, which being again objected to as irrelevant, the Chairman ruled that the question was irrelevant.

The witness then continued his evidence.

The further consideration of the question was adjourned until to-morrow.

The Committee then adjourned until to-morrow at 11 o'clock.

WEDNESDAY, 16TH AUGUST, 1893.

Present : Mr. Shera (Chairman), Mr. Guinness, Sir J. Hall, Mr. G. Hutchison, Mr. Saunders, Hon. Mr. Seddon, Hon. Sir R. Stout, Mr. Wright.

Upon the minutes being read it was resolved, on the motion of Mr. G. Hutchison, to strike out the word "alleged" in the fourth paragraph under the heading of the Public Works Statement, 1892.

The Hon. Mr. Seddon then moved to strike out the word "alteration" and put in lieu thereof the word "correction" in the same fourth paragraph.

Upon the question being put, a division was called for, and the names were taken down as follow :—

Ayes, 3 : Hon. Sir J. Hall, Mr. Saunders, Hon. Mr. Seddon.

Noes, 3 : Mr. G. Hutchison, Dr. Newman, Mr. Wright.

The votes being equal, the Chairman voted with the *Ayes*.

Motion agreed to.

The minutes were further amended, as shown on the opposite page to that on which they were originally written. (*Note*.—Minutes as amended are shown under date 15th August, 1893.)

Minutes, as amended, confirmed.

Order of Reference of the 15th August read by the Clerk.

Mr. Blow attended and made a further statement, which was taken down by the reporter.

Mr. S. Costall, Government Printer, attended and made a statement, which was taken down by the reporter.

Resolved, on the motion of Mr. Wright, That the following witnesses be asked to attend to-morrow : Messrs. Costall, Burns, and Clapham.

Resolved, on the motion of Mr. Guinness, That the Committee adjourn until to-morrow at 10.30 o'clock.

THURSDAY, 17TH AUGUST, 1893.

Present : Mr. Shera (Chairman), Mr. Guinness, Hon. Sir J. Hall, Dr. Newman, Mr. Saunders, Hon. Mr. Seddon, Hon. Sir R. Stout, Mr. Tanner, Mr. Wright.

As Mr. Shera was not present at the commencement of the meeting, Mr. Guinness, on the motion of Sir R. Stout, took the chair.

Minutes of the previous meeting read and confirmed.

Mr. S. Costall, Government Printer, attended, and made a further statement, which was taken down by the reporter.

Mr. Shera, at this stage of the meeting, having arrived, took the chair.

Mr. James Burns, Overseer, Government Printing Office, and Mr. Geo. J. Clapham, Accountant, Public Works Department, attended and gave evidence, which was taken down by the reporter.

Resolved, on the motion of Dr. Newman, That the Committee adjourn until to-morrow, at 11 o'clock.

The Committee then adjourned.

FRIDAY, 18TH AUGUST, 1893.

Present : Mr. Shera (Chairman), Mr. Guinness, Hon. Sir J. Hall, Dr. Newman, Hon. Mr. Seddon, Hon. Sir R. Stout, Mr. Tanner, Hon. Mr. Ward, Mr. Wright.

Minutes of the previous meeting read and confirmed.

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Mr. S. Costall attended and made a further statement, which was taken down by the reporter.

The Committee then adjourned till Tuesday next.

TUESDAY, 22ND AUGUST, 1893.

Present : Mr. Shera (Chairman), Mr. Guinness, Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Dr. Newman, Hon. Mr. Seddon, Hon. Sir R. Stout, Mr. Tanner, Hon. Mr. Ward, Mr. Wright.

The minutes of the previous meeting were read and confirmed.

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The Hon. Mr. Seddon made a statement, which was taken down by the reporter.

The Committee then adjourned until to-morrow at 11 o'clock.

WEDNESDAY, 23RD AUGUST, 1893.

Present : Mr. Shera (Chairman), Mr. Guinness, Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Dr. Newman, Hon. Mr. Seddon, Hon. Sir R. Stout, Mr. Tanner, Mr. Wright.

Minutes of the previous meeting read and confirmed.

The Hon. Mr. Seddon made a further statement, which was taken down by the reporter.

Resolved, on the motion of Dr. Newman, that the Under Secretary, Public Works Department, be asked to supply the Committee with a copy of the "summary" from the monthly statement supplied to the Hon. the Minister for Public Works, month by month, for the year 1891-92, up to and including the 31st March, 1892.

Resolved, on the motion of Mr. Guinness, "That a Committee, consisting of the Hon. Sir R. Stout, the Hon. Sir J. Hall, Mr. Tanner, Dr. Newman, and the Chairman, be appointed to draw up a draft report; three to be a quorum.

The Hon. Sir R. Stout moved, That at the rising to-day the Committee adjourn until Friday next, at 10.30 o'clock a.m., for the consideration of the draft report.

Upon the question being put a division was called for, and the names were taken down as follow:—

Ayes, 5: Mr. Guinness, Hon. Sir Hall, Hon. Mr. Seddon, Hon. Sir R. Stout, Mr. Tanner.

Noes, 3: Mr. G. Hutchison, Dr. Newman, Mr. Wright.

Motion agreed to.

Resolved, on the motion of the Hon. Sir R. Stout, That the Committee adjourn until Friday next.

FRIDAY, 25TH AUGUST, 1893.

Present: Mr. Shera (Chairman), Hon. Sir J. Hall, Mr. G. Hutchison, Dr. Newman, Hon. Mr. Seddon, Hon. Sir R. Stout, Mr. Tanner, Mr. Wright.

The Minutes of the previous meeting were read and confirmed.

Order of Reference of the 23rd August read by the Clerk.

Resolved, on the motion of Dr. Newman, That the consideration of the draft report be postponed until Friday next.

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The Committee then adjourned until Tuesday next, at 11 o'clock.

TUESDAY, 29TH AUGUST, 1893.

Present: Mr. Shera (Chairman), Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Dr. Newman, Hon. Mr. Seddon, Mr. Tanner, Mr. Wright.

The minutes of the previous meeting were read and confirmed.

Resolved, on the motion of the Hon. Mr. Seddon, That Mr. Costall be asked to attend to-morrow to give further evidence.

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The Committee then adjourned until to-morrow, at 11 o'clock.

WEDNESDAY, 30TH AUGUST, 1893.

Present: Mr. Shera (Chairman), Mr. Guinness, Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Mr. Saunders, Hon. Mr. Seddon, Mr. Tanner, Mr. Wright.

The minutes of the previous meeting were read and confirmed.

Mr. Costall, Government Printer, attended, and made a further statement, which was taken down by the reporter.

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The Committee then adjourned until Friday next, at 11 o'clock.

FRIDAY, 1ST SEPTEMBER, 1893.

Present: Mr. Shera (Chairman), Mr. Guinness, Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Dr. Newman, Mr. Saunders, Hon. Sir R. Stout, Mr. Tanner, Hon. Mr. Ward, Mr. Wright.

Minutes of the previous meeting read and confirmed.

The Chairman produced the following draft printed report as drawn up by the Subcommittee:—

“The Committee have the honour to report that they have considered the papers referred to them regarding the error made in the Public Works Statement of 1892, and have also examined persons and papers. They find the facts to be as follows:—

“1. The Public Works Statement was laid on the table of the House of Representatives on the 27th September, 1892, by leave of the House, and the following copies were circulated—namely: 180 to the House of Representatives, 69 to the Legislative Council, and 46 to departments; making a total of 295. After the Statement had been laid on the table it was discovered by Mr. Blow, the Under-Secretary for Public Works, that it contained an error in the text at page 14. This error was in the figures of expenditure for the year 1891–92. It was given in the Statement as £295,978, instead of £391,501. Mr. Blow discovered this error either the next day or the day after, and had it altered in the printing office, making the amount correct—namely, 391,501. There was also a slight error in the table called D, annexed to the Statement, through an omission of a credit of £111. This table was altered to Table C, and the figures “£111” were inserted in the last column under the heading of “Expenditure of 1891–92.” The insertion of these figures necessitated the alteration of the summation of that column in three particulars—namely, summation from £70,957 to £70,846, from £312,482 to £312,371, and in the total summation from £391,612 to £391,501. These alterations in Table D were made by Mr. Clapham, Accountant to the Public Works Department. The alterations were made without Mr. Seddon being informed of them.

“2. The error in the text occurred through Mr. Blow having handed to Mr Seddon a slip of paper containing the expenditure for the several years, 1885–86 down to 1891–92. This was in the handwriting of a cadet in the office to whom it was dictated. It gave the expenditure for 1891–92 as £295,978.

“3. Mr. Seddon, assuming that this statement was correct, prepared two paragraphs in the Public Works Statement, as follows: (At page 1.) “Results have proved, however, that fair progress has been made with our necessary reproductive public works, and yet the expenditure thereon has been less during the past year than it has been for years past, and still the colony has advanced.” (At page 14.) “For the purpose of showing how the ‘tapering-off’ policy succeeded by

the self-reliant non-borrowing policy has affected our public works expenditure during the last few years, I give the following figures, which represent the total expenditure under the Public Works Fund during each of the years mentioned, and which bear eloquent testimony to the self-sacrificing spirit exhibited by our colonists in accepting with thorough good will the decreased expenditure which that policy has entailed, and which also afford the fullest evidence of the resources and capabilities of the colony, seeing that, notwithstanding this enormous diminution in our loan expenditure, the country is becoming year by year more prosperous, and its financial position steadily improving. The figures showing the loan expenditure during the several years are as follows—namely: 1885–86 £1,475,386; 1886–87, £1,333,484; 1887–88, £966,159; 1888–89 £613,939; 1889–90, 482,464; 1890–91, 334,756; 1891–92, 295,978.” (The correct expenditure for 1891–92 was £391,511.)

“4. A reference to the small table printed at page 2 of the Public Works Statement would have shown that the statement on page 14 was inaccurate. On page 2 the total expenditure is put down as £491,612, but a note is added that in this amount there was included £100,000 which had been paid off the floating debt. Deducting this sum from the £491,612 it will be seen that the expenditure on public works was £391,612. The small credit of £111 had not been brought forward when this table was constructed.

“5. A reference also to Table C of the Public Works Statement would have shown that the amount given on page 14 of the Statement was inaccurate; it there appeared as £391,612.

“6. The Statement as altered by Mr. Blow was circulated as follows—viz.: To the Reader of the House twenty-five copies, on the 3rd October, and twelve copies on the 6th; none to the Council, and three hundred and sixty-three to departments of the Government.

“7. The *Hansard* report of the Public Works Statement was corrected, so that the correct amount of the expenditure appears in it.

“8. The Public Works Statement was discussed on the motion for going into Committee of Supply on the 5th October. In this debate reference was made to the error in the text of the Statement by the Hon. Mr. Mitchelson and the Hon. Mr. Richardson: and the error was not contradicted or explained. The debate did not conclude until after 4 a.m., and Mr. Seddon lost his right of reply, he having been asleep when the Speaker put the motion.

“9. The next time that the Public Works Statement came up for reference in the House was on the debate on the Public Works Appropriation Act, on the 10th October, the day before the prorogation; but neither then nor on any other day was any reference made by Mr. Seddon to the error, and Parliament was prorogued on the 11th October.

“10. It will be seen from the above statement of facts that Mr. Seddon did not alter the Public Works Statement; and it is clear to the Committee that he was not informed of the alteration until the 5th October, during the debate on the motion to go into Supply. He then asked Mr. Blow for an explanation of the error which had been discovered by the Hon. Mr. Mitchelson and the Hon. Mr. Richardson, and was then informed by Mr. Blow that it was an error, and that he had corrected it.

“11. The fact that Mr. Seddon was asleep when the Speaker put the motion to go into Committee of Supply probably led to his not replying to the comments made in the House about the mistake.

“12. It is in evidence that corrections in tables attached to the Public Works and Financial Statements have been made not infrequently after they have been delivered, but that on only one occasion has any alteration been made in the text. This was in a Financial Statement delivered by Sir Julius Vogel; in this instance the alteration was made known to the House, and a corrected Statement was issued to honourable members.

“13. The Committee are of opinion that, in altering the text of a Ministerial Statement after it had been laid before Parliament, and without even informing the Minister of what he had done, Mr. Blow committed a grave indiscretion. They consider that no alteration of any parliamentary paper, after it had been laid on the table of the House, should be made without the sanction of the House.”

Resolved, on the motion of the Hon. Sir R. Stout, That the draft report be taken paragraph by paragraph.

Mr. Guinness moved, That in the preamble, after the figures “1892,” to insert the words “and the charges made by the Hon. Mr. Rolleston that the Hon. the Premier had made a silent, secret, surreptitious alteration of the Public Works Statement.”

Upon the question being put, “That the words proposed to be inserted be so inserted,” a division was called for, and the names were taken down as follow:—

Ayes, 3: Mr. Guinness, Mr. Tanner, Hon. Mr. Ward.

Noes, 7: Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Dr. Newman, Mr. Saunders, Hon. Sir R. Stout, Mr. Wright.

Motion lost. Words not inserted.

Mr. Tanner proposed, after the figures “1892,” in the said second line, to insert the words “and the charge made thereon.”

Upon the question being put, a division was called for, and the names were taken down as follow:—

Ayes, 6: Mr. Guinness, Mr. J. Mills, Dr. Newman, Mr. Saunders, Mr. Tanner, Hon. Mr. Ward.

Noes 4: Hon. Sir J. Hall, Mr. G. Hutchison, Hon. Sir R. Stout, Mr. Wright.

Motion agreed to. Words inserted.

Preamble, as amended, agreed to.

Mr. Guinness moved to strike out all the words after the word “House” in line 2 down to the figures “295” inclusive in line 4.

Upon the question being put, it was passed in the negative.

Resolved, on the motion of Mr. Saunders, to insert in line 6, after the word "in," the words "on page 14."

Mr. Saunders moved to insert in line 7, after the figures "391,500," "although correctly stated in several other places."

Upon the question being put, "That the words proposed to be inserted be so inserted," a division was called for, and the names were taken down as follow:—

Ayes, 3: Mr. Guinness, Mr. Saunders, Hon. Mr. Ward.

Noes, 7: Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Dr. Newman, Hon. Sir R. Stout, Mr. Tanner, Mr. Wright.

Motion not agreed to. Words not inserted.

Resolved, on the motion of the Hon. Sir R. Stout, to strike out the words "either the next day or the day after" in lines 7 and 8.

Mr. Saunders moved to insert the words "within an hour after the Statement was laid on the table."

Upon the question being put, it passed in the negative.

Resolved, on the motion of Mr. G. Hutchison, to insert the words "soon after the Statement was laid on the table, and he" in lieu of the words struck out.

The Hon. Sir R. Stout moved to insert the words "the next day or the day afterwards" after the words "printing office," in line 8.

Upon the question being put that the words proposed to be inserted be so inserted, a division was called for, and the names were taken down as follow:—

Ayes, 8: Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Dr. Newman, Hon. Sir R. Stout, Mr. Tanner, Hon. Mr. Ward, Mr. Wright.

Noes, 2: Mr. Guinness, Mr. Saunders.

Motion agreed to. Words inserted.

Mr. Saunders moved to strike out the word "correct" after the word "amount," in line 9, and insert in lieu thereof the words "correspond with that in other parts of the Statement."

Upon the question being put that the word "correct," proposed to be struck out, be so struck out with a view of inserting the words proposed, it was passed in the negative.

Words retained.

Resolved, on the motion of Dr. Newman, to strike out the word "summation" in line 12, and insert the word "addition" in lieu thereof.

Resolved, on the motion of Dr. Newman, to strike out the further words "summation" in lines 12 and 13.

Resolved, on the motion of Mr. Tanner, to strike out the word "The" in line 15, and insert the words "All these" in lieu thereof, and to strike out the words "being informed of them" in the same line, and insert the word "knowledge" in lieu thereof.

Clause, as amended, agreed to.

Clause 2: *Resolved*, on the motion of Sir R. Stout, to strike out clause "2," and insert in lieu thereof "The error in the text occurred through Mr. Seddon having used the figures given on a slip of paper handed to him by Mr. Blow, and which contained the expenditure in the seven financial years 1885-86 down to 1891-92. This was in the handwriting of a cadet in the office, to whom it was dictated. It gave the expenditure for 1891-92 as £295,978."

The Hon. Sir R. Stout moved to add the following to clause 2: "This being the net expenditure exclusive of the following receipts in aid, namely."

Upon the question being put, a division was called for, and the names were taken down, as follow:—

Ayes, 4: Mr. Guinness, Mr. Saunders, Hon. Sir R. Stout, Hon. Mr. Ward.

Noes, 6: Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Dr. Newman, Mr. Tanner, Mr. Wright.

So it passed in the negative.

Clause, as amended, agreed to.

Clause 3: *Resolved*, on the motion of Mr. Tanner, to strike out the words "this Statement was," in line 7, and insert in lieu thereof the words "these figures were." Also—

Resolved, on the motion of Mr. Tanner, to strike out the words "proposed two paragraphs in," in line 7, and insert the word "issued" in lieu thereof; and after the word "Statement," in line 2, to insert the words "containing the two following paragraphs," and to alter the figures "£391,511" to "£391,501" at the end of the paragraph.

Clause, as amended, agreed to.

Clause 4 agreed to.

Clause 5: *Resolved*, to strike out the letter "A," at the commencement of the clause.

Resolved, on the motion of Mr. G. Hutchison, to insert the words "in the table" before the word "it," in the second line, and to strike out the word "there" after the word "it."

Clause, as amended, agreed to.

Clause 6: *Resolved*, on the motion of the Hon. Sir R. Stout, to add the following words to the end of the clause: "1,500 copies in all of this altered Statement were printed."

Clause, as amended, agreed to.

Clause 7: *Resolved*, on the motion of Hon. Sir Robert Stout, to strike out clause 7, and insert in lieu thereof the following: "The *Hansard* report of the Public Works Statement was printed from the Statement laid on the table, but was corrected by the reader in the printing office without reference to Mr. Seddon. The correct amount of the expenditure appears in *Hansard*."

Clause 8 agreed to.

Clause 9: Mr. Tanner moved to strike out the words from "The," at the commencement of the clause, down to the word "on," inclusive, in line 2.

Upon the question being put, That the words proposed to be struck out be retained, a division was called for, and the names were taken down as follow :—

Ayes, 6 : Dr. Newman, Mr. Mills, Mr. Hutchison, Mr. Wright, Hon. Sir J. Hall, Hon. Sir R. Stout.

Noes, 4 : Mr. Guinness, Mr. Tanner, Mr. Saunders, Hon. Mr. Ward.

Words retained.

Mr. Guinness moved, To strike out clause 9.

Upon the question being put, "That the clause as printed stand part of the report," a division was called for, and the names were taken down as follow :—

Ayes, 6 : Dr. Newman, Mr. J. Mills, Mr. G. Hutchison, Mr. Wright, Hon. Sir J. Hall, Hon. Sir R. Stout.

Noes, 4 : Mr. Guinness, Hon. Mr. Ward, Mr. Tanner, Mr. Saunders.

Clause retained.

Resolved, on the motion of the Hon. Sir R. Stout, to strike out the words "the day before the prorogation" in lines 2 and 3, and also in line 4 to strike out the words "and Parliament was prorogued," and insert in lieu thereof the words "the session closed."

Clause 9, as amended, agreed to.

Resolved, on the motion of Mr. Guinness, that the further consideration of the report be postponed until Tuesday next.

Resolved, on the motion of Mr. Guinness, that the Committee adjourn until Tuesday next, at 11 o'clock, for the further consideration of the report, and also of the proposals of the New Zealand Zealand Midland Railway Company.

The Committee then adjourned.

TUESDAY, 5TH SEPTEMBER, 1893.

Present : Mr. Shera (Chairman), Mr. Guinness, Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Dr. Newman, Mr. Saunders, Mr. Tanner, Hon. Mr. Ward, Mr. Wright.

Minutes of the previous meeting read and confirmed.

* * * * *

The Committee took up the further consideration of this report.

Clause 10 : Mr. Ward moved to strike out the words "It will be seen from the above statement of facts that," at the commencement of the clause, and insert in lieu thereof, "From the evidence taken the Committee find that."

Upon the question being put, "That the words proposed to be struck out stand part of the question," a division was called for, and the names were taken down as follow :—

Ayes, 3 : Dr. Newman, Mr. G. Hutchison, Mr. Wright.

Noes, 6 : Mr. Guinness, Mr. J. Mills, Hon. Sir J. Hall, Mr. Saunders, Mr. Tanner, Hon. Mr. Ward.

Words struck out.

Mr. G. Hutchison moved to insert the word "himself," after the word "not," in line 7.

Upon the question being put, it was passed in the negative.

Resolved, on the motion of Mr. Tanner, to strike out the words "It is clear to the Committee that he was not," and to insert in lieu thereof the words "nor was he."

The Hon. Mr. Ward moved to insert, after the word "supply," in line 3, the following : "and the charge made in the House by the Hon. Mr. Rolleston that Mr. Seddon had altered the Statement is unsupported by the evidence, and has been disproved of."

Upon the question being put, "That the words proposed to be inserted be so inserted," a division was called for, and the names were taken down as follow :—

Ayes, 3 : Mr. Guinness, Mr. Saunders, Hon. Mr. Ward.

Noes, 6 : Dr. Newman, Hon. Sir J. Hall, Mr. G. Hutchinson, Mr. J. Mills, Mr. Tanner, Mr. Wright.

Motion lost. Words not inserted.

Resolved, on the motion of Mr. Tanner, to strike out the word "discovered," in line 4, and to insert in lieu thereof the words "referred to."

Mr. Guinness moved to strike out all the words commencing with "He," in line 3, down to the word "then," in line 5, both inclusive.

Upon the question being put, "That the words proposed to be struck out stand part of the question," a division was called for, and the names were taken down as follow :—

Ayes, 6 : Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Dr. Newman, Mr. Tanner, Mr. Wright.

Noes, 3 : Mr. Guinness, Mr. Saunders, Hon. Mr. Ward.

So it was resolved in the affirmative. Words retained.

Resolved, on the motion of Mr. Tanner, to strike out the words "and" and "their," in line 5, and insert the words "when he" after the word "Richardson."

The Chairman (Mr. Shera) moved to add the following to the end of the clause : "The morning after the Statement was laid on the table. The accusation therefore that the Premier had made a silent, secret, and surreptitious alteration of the public records is incorrect, and not in accordance with the facts."

Upon the question being put, it passed in the negative.

Clause, as amended, agreed to.

Clause 11 : *Resolved*, on the motion of the Hon. Mr. Ward, to strike out the words "The fact that" at the commencement of the clause.

Mr. J. Mills moved to strike out the words "probably led to his not replying," in line 2, with a view of inserting the words "consequently did not reply" in lieu thereof.

Upon the question being put, "That the words proposed to be struck out be so struck out, with a view of inserting the other words proposed," a division was called for, and the names were taken down as follows:—

Ayes, 6: Mr. Guinness, Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Mr. Tanner, Hon. Mr. Ward.

Noes, 2: Dr. Newman, Mr. Wright.

Motion agreed to.

Mr. Wright moved, To strike out the whole of clause 11 as amended.

Upon the question being put, "That the clause as amended stand part of the report," a division was called for, and the names were taken down as follow:—

Ayes, 4: Mr. Guinness, Mr. J. Mills, Hon. Mr. Ward, Hon. Sir J. Hall.

Noes, 4: Dr. Newman, Mr. Wright, Mr. G. Hutchison, Mr. Tanner.

The votes being equal, the Chairman declared in favour of the *Ayes*.

Clause, as amended, agreed to.

Mr. Guinness moved, To strike out all the words after the word "delivered" in line 2.

Upon the question being put it passed in the negative.

Resolved, on the motion of Mr. Hutchison, to strike out the words "to honourable members" at the end of the clause.

Resolved, on the motion of Dr. Newman, to strike out the whole of the clause as amended.

Clause struck out.

Clause 13: Mr. Guinness moved to strike out the word "even" in line 2.

Upon the question being put, "That the word as printed stand part of the clause," a division was called for, and the names were taken down as follow:—

Ayes, 6: Dr. Newman, Mr. Wright, Mr. G. Hutchison, Mr. J. Mills, Mr. Tanner, Hon. Sir J. Hall.

Noes, 2: Mr. Guinness, Hon. Mr. Ward.

Word retained.

Mr. Guinness moved to strike out the word "grave" in line 3.

Upon the question being put, it passed in the negative.

Resolved, on the motion of Mr. G. Hutchison, to strike out the word "should" in line 4, and insert the words "can properly" in lieu thereof.

Mr. Tanner moved to add the following words to the end of the clause: "In conclusion, they consider the charge against Mr. Seddon of silently, secretly, and surreptitiously altering a public document, is not borne out by the facts."

Upon the question being put, "That the words proposed to be added be so added," a division was called for, and the names were taken down as follow:—

Ayes, 3: Mr. Guinness, Mr. Tanner, Hon. Mr. Ward.

Noes, 5: Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Dr. Newman, Mr. Wright.

Motion lost. Words not added.

Clause, as amended, agreed to.

Resolved, on the motion of Mr. Tanner, That the Report be recommitted with a view of striking out the word "made," in line two of the preamble, and inserting the word "founded," in lieu thereof.

Preamble amended accordingly.

Mr. G. Hutchison moved, That the Report as amended be adopted.

Upon the question being put, a division was called for, and the names were taken down as follow:—

Ayes, 5: Hon. Sir J. Hall, Mr. G. Hutchison, Mr. J. Mills, Mr. Tanner, Mr. Wright.

Noes, 3: Mr. Guinness, Dr. Newman, Hon. Mr. Ward.

Motion agreed to.

The Hon. Mr. Seddon attended at this stage of the meeting.

Resolved, on the motion of Mr. Wright, to add the following to Mr. Hutchison's motion: "together with copies of the manuscript exhibits, and the evidence and minutes."

Resolved, on the motion of Mr. G. Hutchison, That the Chairman do present to the House to-morrow the report, together with copies of the manuscript exhibits, and the evidence and minutes.

Mr. Guinness moved, That the Committee adjourn until to-morrow, at 11 o'clock a.m.

Mr. J. Mills moved, by way of amendment, That the meeting adjourn until Thursday, at 11 a.m.

Upon the amendment being put, a division was called for, and the names were taken down as follow:—

Ayes, 3: Mr. Mills, Hon. Mr. Seddon, Dr. Newman.

Noes, 3: Mr. Guinness, Mr. G. Hutchison, Mr. Wright.

The votes being equal, the Chairman declared in favour of the *Ayes*.

Amendment agreed to.

The Committee then adjourned until Thursday next, at 11 o'clock.

MINUTES OF EVIDENCE.

THURSDAY, 10TH AUGUST, 1893.—(J. M. SHERA, Esq., M.H.R., Chairman.)

Hon. Mr. ROLLESTON examined.

1. *The Chairman.*] I understand you are the leader of the Opposition?—Yes, I hold that position.

2. In *Hansard* of the 25th July you are reported to have stated: “I think the falsification of the records of the House has been a worse thing”; and, further, in referring to the Premier, you say he has made a “silent, secret, and surreptitious alteration of the public records.” Are you correctly reported?—Yes, as far as I know. It is substantially correct, certainly, and I believe it to be correct.

3. Will you state the circumstances that led to your making that statement?—Yes. I say the report in *Hansard* is to the best of my knowledge and belief correct. I made the statement that has been alluded to by you, that the Premier had made a “silent, secret, and surreptitious alteration of the public records,” and I amplified the charge further on—on the same page, 156—by saying: “He has sent out a record the veracity of which depended upon the correctness of certain statements he made, taking figures which the public did not scan or criticise, because they are not accustomed to such things. He has altered those figures, and let go broadcast to the public a statement which is entirely incorrect on the face of it. It is comparatively a small matter if the honourable gentleman does not know when there is a difference in the matter of accounts of some £90,000: because that is what it is, but I say it is no small matter that he should venture to mislead the public for all this long time both in respect to this railway matter and in regard to these public accounts.” And, on another day, when the matter was before the House, in referring this question to Committee, I said, “I hope the Public Accounts Committee, when they take this into consideration, will take into consideration the general burden of the charge I made. The charge I made was this: that the Statement itself proceeded to argue upon these figures, and that, when the figures were proved to be wrong, and were altered, no corresponding alteration was made in the tone of the Statement for the enlightenment of the public.” That is in *Hansard*, No. 11., page 166, July 25th this year. The general burden of the charge I made was that the last figures in the concluding paragraph of the Statement were altered, in the Appendix to the Journals of the House, from the document laid upon the table and circulated through the country. Since then I have looked through the *Hansard* upon which the statement was made, and it shows that Mr. Seddon was fully aware of the error, but he never altered the statements he had founded upon those figures. On the 5th October (No. 78 of last year, page 682), Mr. Richardson pointed out the error; on page 668 of the same volume, Mr. Mitchelson pointed out the same error; and on the 11th October, page 885 of the same volume, column two, Mr. Richardson reiterates the charge. This particular speech shows that at that time, 11th October, the correction had been made; and the charge was reiterated in the House without it being for a moment stated that the Premier was not awake and alive to what had been said.

4. Were these statements made during the debate on the Public Works Statement?—The last statement was made on the debate on the Appropriation Bill, at the end of the session.

5. *Hon. Mr. Seddon.*] And those of the 5th October?—The one of the 5th October was on the Public Works Statement. On the 11th of October, notwithstanding these statements had been made by Mr. Richardson and Mr. Mitchelson, and notwithstanding the alteration had been made, Mr. Seddon on this day—the last of the session—does not admit or acknowledge the error, but says, “the Statement was perfection in itself.” He says this on October 11th; and yet he says he had had no opportunity of making an explanation previously. In *Hansard*, page 442 of the same volume, the error is corrected; therefore it is clear that Mr. Seddon was aware of it within a few days of September 27th, when the Public Works Statement was issued. I could not say upon what date the *Hansard* came out, but in the *Hansard* proof of the Public Works Statement the correction has been made.

6. *The Chairman.*] You refer to the error?—To the figures; they were altered from the Statement.

7. Will you state in what the alteration consisted?—Yes; the alteration consisted in substituting the figures £391,501 for, I think (I forget the precise figures) £295,978. In *Hansard* No. 3 of this year, page 133, June 30th, Mr. Seddon says: “It was mentioned at the time, and he (Mr. Seddon) knew it.” That is in the second column of page 133. On page 134, in the first column, at the bottom, Mr. Seddon is reported as follows: “What he (Mr. Seddon) said was this: that when it was pointed out by the honourable gentleman and the honourable member for Eden, then, and between that time and the time when he (Mr. Seddon) would have replied, he found that the net amount had been given instead of the gross amount. He should have made the explanation had not advantage been taken of his taking a rest. The effect of the honourable gentleman’s criticism on the Public Works Statement was such that he had gone to sleep, and advantage had been taken of that, and he could not make the explanation till the first opportunity, which he had taken advantage of.” I have not found the opportunity which Mr. Seddon took to correct this statement. As to his being asleep, I may say, in a phrase of his own, that if he were, he had probably, like a weasel, one eye open. And it appears strange, too,

that he should have been asleep at the beginning of the debate, when Mr. Mitchelson spoke—at the very first of the debate on the Public Works Statement. It will be found in pages 674, 676, and also 686, of *Hansard*, the last volume of last year, that he made interjections during the debate. These, presumably, were made when he was awake. My charge then, Sir, is that he traded on false figures, and that he never altered the body of the statement in a manner called for by the alteration of the figures. I think, Sir, the Committee will see it was not only in the concluding paragraph, which Mr. Blow, I think, rather implies was hastily written, and when the Statement was mainly prepared, but it was in one of the first and opening paragraphs. Here these words occur: "That the expenditure had been less during the past year than it has been for years past." I think Mr. Seddon knew of the mistake, and had opportunities in the House of publicly making explanations which would have put the public right in a matter of very large importance. He neglected to do so. It seems to me, so far as I have read the papers, that he misled the House and allowed the figures to be altered without altering the deductions made from those figures. He had them altered, as I have shown, in the *Hansard* proof, and, as I have said, knowingly allowed them to be altered in the Public Works Statement and in the Appendix, silently and secretly, as well as in *Hansard*, silently and secretly, as far as the public were concerned. It appears to me whether he himself knew—whether the alteration was made by an under-secretary or by himself is much the same thing, because he adopted the alteration and knew it had been made; and it seems to me the appropriation to himself of credit which did not belong to him, by circulating statements the veracity of which depended on figures which were silently and secretly altered, was a surreptitious obtaining of credit. I do not know, Sir, there is anything more I need say, but, of course, I am open to answer any inquiries.

8. Do you remember the conclusion of the debate on the Public Works Statement? Were you present?—I imagine so, Sir. I am very seldom out of the House.

9. Do you remember the Minister for Public Works did not reply?—I know that from having seen the records recently.

10. You do not recollect the circumstances?—Oh, I have no doubt he did not reply, because it does not appear in *Hansard*.

11. On the 5th October, just after the question was put, do you remember the Minister standing up to reply?—No, I cannot say I do.

12. And stating to the House that he had been asleep when the question had been put. You do not remember that?—No, I do not remember that. But that was not the only date on which the statement was made, and on which he had the opportunity of publicly correcting the error. My contention is that it ought to have been most formally corrected, and a printed alteration circulated with the documents that went to the public.

13. I was merely asking you as to a matter of fact, as to whether you remembered?—No, I do not.

14. *Dr. Newman.*] Do you know this was a short debate begun by Mr Richardson?—Yes.

15. Do you know how often Mr. Seddon spoke in the course of the debate?—There are three or four interjections, I think. I do not recollect exactly, but there are certainly three.

16. Were there eight?—I do not know. No, not eight, as far as I know.

17. Have you counted?—No, I have not, but I know there are interjections by Mr. Seddon on pages 674, 676, and 686 which show that at the time he was presumably awake.

18. *Mr. Guinness.*] Is it anything unusual, Mr. Rolleston, for a printed statement submitted to the House and afterwards found to be in error, before it is printed for circulation, to be corrected; supposing it was a typographical error?—You ask me whether my experience has led me to think there have been alterations made?

19. Yes?—I could not say. But I can only say, also, that this is not a clerical error. When considerable arguments are founded upon it it is entirely apart from any question of clerical error; but, of course, that would be a matter of evidence. The answer to your question the Committee would get from officers who are better acquainted with the state of things. I could not say, of my own knowledge. I do not know of any case, and I think it would be an extremely dangerous precedent to admit, if it had been done, that any record for transmission to the public had been altered after it was put on the table of the House.

20. *Mr. G. Hutchison.*] Can you give us the reference to the statement you made as to the correction of the figures in *Hansard* proof?—September 27th was the date on which the Public Works Statement was delivered, and presumably it would appear within the ordinary period.

21. *Hon. Mr. Seddon.*] The Public Works Statement is in *Hansard*?—Yes; I say it is in *Hansard*, and it must have appeared in *Hansard* within a few days, with the corrections in it.

22. *Mr. G. Hutchison.*] Comparing the Public Works Statement in *Hansard* with the copy laid on the table, you say the figures have been altered?—Yes.

23. That is what you mean by *Hansard* proof?—Yes.

24. In *Hansard*, you mean, the figures are different to the figures laid on the table?—Yes.

25. There is no speech of Mr. Seddon's?—No.

26. *Hon. Mr. Seddon.*] The Public Works Statement is on page 448.

27. *Hon. Sir J. Hall.*] It is stated Mr. Seddon knew of the mistake, and had an opportunity of correcting the false impression the Statement conveyed?—Yes.

28. Could you state what opportunities?—Yes. On October 11th, *Hansard*, page 885.

29. What was the occasion?—In the debate upon the Appropriation Bill, that was the very last day, Mr. Richardson spoke as follows: "There can be no doubt whatever that the Government gained credit throughout the colony upon the assumption that during the past year they had reduced the amount of the public debt by £117,000. It has been shown that was a fallacious statement, and that instead of a reduction there has been an increase of over £330,000; but the Government got credit for this reduction, which never took place. Then, again, the Public Works

Statement goes the round of the colony, showing a tapering-off policy and a reduction of public works; and the Government gained credit for having reduced expenditure on public works, though absolutely contrary to fact."

30. *Hon. Mr. Seddon.*] What year was that?—In 1892; just at the end of last session.

31. *Hon. Sir J. Hall.*] Did Mr. Seddon speak after that?—Mr. Seddon spoke after that, and wound up the debate.

32. Did he make any allusion to the statement of Mr. Richardson?—He made this allusion, which I think I pointed out to the Committee, that "the statement was perfection in itself."

33. *Hon. Mr. Seddon.*] Then there are two charges you make, Mr. Rolleston, against me; one, that it was I who "secretly, silently, and surreptitiously" altered the Statement. Do you still adhere to that?—I see no reason to alter it. If you did not absolutely give the direction—if you did not do it—you adopted it, and knowingly adopted it. If a man adopts the act of another, particularly if that other is an officer of his department, it is all one as though he did it himself.

34. Then I am to understand if one person—say Brown—commits an illegal act, and Smith says he will adopt it—?—I contend if a man takes advantage of the wrong-doing of another without disclaiming it, he is *particeps criminis*.

35. Were you not under the impression when you made that statement it was I myself who had made the alteration? Had you not been informed so, on your honour—?

36. *The Chairman.*] It is a little out of order to put a gentleman here on his honour.

37. *Hon. Mr. Seddon.*] At the time you made that statement had you not been informed it was I, personally, who had made the alteration?—I do not know I had been so informed. It was upon my mind, from the general tenor of what had passed upon the subject. And it would have made no difference in my statement whether you had absolutely given the direct order for it or whether you had not.

38. It is not whether I had given the order or not; were you not under the impression I had made the alteration? You said so, in fact, that I had made it. You said I had "silently, secretly, and surreptitiously" altered the Statement?—Yes; I say you either did alter it, or allowed it to be altered with your knowledge; and that is the same thing.

39. I want to confine you to your statement made in the House—to the *Hansard* record of what you said; and I ask you what evidence you have to support that accusation?—The general evidence I have brought before the Committee now.

40. Have you any further evidence?—Not that I know of. Of course, the thing had been discussed, and these statements had been made. I had no special information on the subject.

41. You were not under the impression that I had altered the Statement? Have you heard it stated in the House that I had tampered with the Statement?—I cannot tax my memory particularly; but to my mind it makes very little difference whether you tampered with it or allowed it to be tampered with. You did not correct it.

42. Then, the second part of your charge is that I ought to have publicly corrected it. That is the second part of your charge, is it not?—I say, nothing less than a formal correction of the statement in the first paragraph and the last paragraph of the Public Works Statement should have been made—a correction of the most formal character. Nothing less than that was called for under the circumstances.

43. Well, now, you have positively no evidence whatever in support of the accusation that I had made these alterations, except what you state now to the Committee?—I have stated to the Committee all I have to say. It is a question the Committee will investigate further. I have no doubt they will go into the particular way in which it has been brought about.

44. Were you present when Mr. Richardson and Mr. Mitchelson spoke, on the occasion of the 5th October, on the Public Works Statement?—I think so. If any one said I was not there, I would not swear I was; but, so far as I know, I was. I know I was there some part of the time, at any rate.

45. Did not Mr. Mitchelson open the attack?—Yes.

46. By the *Hansard*, does he not tell the House that these alterations had been made?—Yes, he does.

47. Do I question that, and say the statement he has made is incorrect?—No; you said you were asleep.

48. Not when he was speaking. I have not said I was asleep then, but when the question was put that we go into Committee. The question to leave the chair was put without my knowing. But the question I ask you is, did I contradict Mr. Mitchelson when he made that statement?—Not to my knowledge.

49. You have said that during the same debate I ejaculated three or four times?—Yes.

50. Mr. Richardson in the same *Hansard* report makes the same statement, and on that day?—Yes.

51. On the 5th October?—Yes.

52. Did I contradict him?—No.

53. I did not?—Not so far as I am aware.

54. Now, coming to the corrected *Hansard*, would you be surprised to know that the Public Works Statement and the Financial Statement goes into *Hansard* without a Minister ever seeing them from the time they are put on the table—that that is following the usual course?—Oh, I would not be at all surprised to hear that; but I should be very much surprised to hear any alteration was made to any official record of the House of that kind without authority.

54A. You would be surprised?—Yes.

54B. If you were informed with regard to the Financial Statement and the Public Works Statement that there is scarcely an occasion in which the same thing is not done, would you be surprised?—I should be very much surprised if I were told that figures in a statement, which meant one thing, upon which a considerable portion of an official record like the Public Works

Statement or the Financial Statement was based, were altered, or, that the figures being altered, the Statement itself was not altered. I hope the day will not come when such a thing is possible.

55. At all events, on the 27th September (*Hansard*, page 433), 1892, there is nothing said beyond laying the Statement on the table?—No.

56. That is the Statement to which you allude?—Yes.

57. And that is the one in which you say the figures were altered?—In this the last figures were altered; they are different in this Statement to what they are in the records of the House laid on the table.

58. But this agrees with the Statement that was circulated in the Appendix?—Yes; so far as I know.

59. But it does not agree with the one laid upon the table of the House?—No.

60. Now, will you tell the Committee which of the Appendices had been altered. You said the Appendix, as well as the Statement, had been altered. Will you point it out to the Committee?—I do not know whether I made myself clear, but I said the Public Works Statement in the Appendix.

61. You mean the Public Works Statement in the Appendices of the House?—Yes; not the tables.

62. Do the tables show in the same Public Works Statement the correct figures?—I have not been into those figures. It is quite possible they do. But my contention is that the record which went to the public, who did not get the tables, and who did not study them if they had them, was such as was misleading.

63. Now, does not the first paragraph in the Public Works Statement contain the correct figures?—They do not appear, as far as I know.

64. Oh, yes, they do?—They do not appear in such a way as to bear out the statement that “the expenditure had been less in the past year than it had been for years past.” That is the statement on the first page.

65. You will not say it does not show the correct figures in the uncorrected copy?—Yes; they do not appear in such a way as to enable any ordinary reader to see whether they bore out the statement.

66. Did you, Mr. Rolleston, read the Financial Statement of last year?—Yes.

67. Did not that Financial Statement give the expenditure on public works as £391,501?—I could not say from memory, but I have no doubt it did, if you say so. But that does not bear upon this question. If I may supplement my answer—if it did show the figures, it only showed this Statement was incorrect.

68. Were you present as soon as we went into Committee on the Public Works Statement?—I really do not recollect. I have very little doubt I was. I am generally in the House.

69. Would you be prepared to say I did not make this statement: “that I regretted having been caught napping when the motion was put, as there were certain statements I wished to make in reply—in correction.” They did not put it in *Hansard*. It was a personal explanation I made. I expressed my regret that I had been caught napping and that I wished to make a correction?—Is that in *Hansard*?

70. It is not in *Hansard*; but I ask you, were you present?—I was present, I believe.

71. *The Chairman*: It was very late, I think, in the morning.

72. *Hon. Mr. Seddon*.] Were you there?—It is clear I was there. I moved to report progress, and I see my name in the division list. It was seven o'clock in the morning when we adjourned. It is clear I was there. There was division after division.

73. Turn to page 701 and you will see the concluding words of Mr. Buick, “I hope that the Minister in his reply will take an opportunity of dealing with this question”?—Which question was that?

74. The Public Works Statement?—He is dealing with some bridge or other, and he hopes you will take an opportunity of dealing with this question.

75. It means reply to the debate?—Of course, I could not say what Mr. Buick meant, but he is speaking of a bridge.

76. What is the inference there?—The inference is he hoped he would get the Awatere Bridge.

77. And he asked me to reply whether I would give it or not. Has not the word “reply” there any reference to the debate then proceeding?—I presume it does. Really I cannot interpret it as a matter of common-sense but as referring to the bridge.

78. As a matter of fact, what do you read next?—If you will tell me where to read.

79. Page 701; after Mr. Buick finished?—The motion was agreed to, and the House went into Committee of Supply.

80. Is there not something unusual, do you think, there? Would you not consider it unusual in the face of the debate preceding, for the Minister in charge not to reply?—I think it was a most unusual thing that a Minister should have a charge of that kind brought against him, which he was presumably conscious of, and that he should not have replied. That is the gravamen of my statement, that you did not take the opportunity.

81. Then, the debate was commenced by Mr. Mitchelson. Turn to page 665 for Mr. Mitchelson; page 668 Mr. Fish spoke; page 674 Sir John Hall spoke. Does Sir John Hall go into this question?—I do not know, I will read if the Committee wish.

82. Mr. Bruce spoke page 677, and Mr. G. F. Richardson at page 682. I ask you to follow me in his speech. He says, “In the Financial Statement, the expenditure of the Loan Fund is given for the year as £391,000 odd, but the Minister for Public Works in his paragraph says: ‘I give the following figures which represent the total expenditure under the Public Works Fund during each of the years mentioned. . . . Results have proved, however, that fair progress has been made with our necessary reproductive public works, and yet the expenditure thereon has been less during the past year than it has been for years past.’” He then quotes the figures. I

want to know did I question the statement, or do you question the statement of Mr. Richardson, when he said the expenditure in the Financial Statement is given as £391,000?—No, the Financial Statement, I believe, is correct; but that makes it all the worse.

83. I do not want an expression of opinion?—That is the gravamen of my charge.

84. Mr. Richardson, if you read on, goes on to show the discrepancy. He says, "The expenditure is shown in the copy of the Public Works Statement which was circulated first to be £38,000 less than last year; whereas the expenditure last year was really £57,000 in excess, or a difference in position between under-expenditure and over-expenditure of not less than £96,000"?—Yes.

85. The first Statement laid on the table of the House shows £296,978, does it not?—Yes, I think so.

86. As shown in the Financial Statement it is £391,000?—Yes, I presume that is so.

87. As shown in the table of the Public Works Statement it is £391,000?—Is it so? the figures are not given together.

88. I am speaking about the tables?—You can deduce it from the tables, but it is not in the tables as it stands.

89. At all events, you would not say it was not in the tables, and that it was not in the Financial Statement?—I will not say it is not in.

90. Do you not think before you made such a grave charge it was your duty to have ascertained these facts?—Not at all. I think my charge is that the public have been grossly misled by the first and last paragraphs of the Public Works Statement.

91. You think the public would not believe Mr. G. F. Richardson and the Hon. Mr. Mitchelson—that the public would not believe the Financial Statement or the tables of the Public Works Statement?—Would you mind asking that again?

92. You do not deny it is in the Financial Statement?—That, of course, is capable of verification.

93. You do not say that Mr. Richardson does not say so?—Yes; and he follows it up with the same charge I am now making, in the strongest terms.

94. Does he not say, "I see in the Financial Statement the expenditure of the Loan Fund is given as £391,000"?—I have not looked up that particular matter. I believe it is deducible from the figures.

95. I ask you to look at what he said. Does he not say—Mr. Richardson, page 682: "In the Financial Statement the expenditure of Loan Fund is £391,000"?—Yes.

96. That is public information, is it not?—That is public information.

97. That is the Financial Statement, supplemented by Mr. Richardson?—Yes, I presume so.

98. Then, the Hon. Mr. Mitchelson, page 665, says: "The same table shows," that is, Table I. attached to the Public Works Statement, "the correct figures, showing the expenditure that has taken place from 1881 down to 1891–92, and it will be found there, in D.-1., Table D, that the expenditure on public works throughout the colony for the year 1890–91 amounted to only £334,000. I will give the round figures, and not trouble about the odd amounts. The same table shows that the expenditure during the last financial year amounted to the sum of £391,000, showing that the honourable gentleman in his Statement was only out to the extent of £56,000. If honourable members will also turn up the Financial Statement they will see that the Colonial Treasurer shows in the tables attached to it that the expenditure on public works for the past financial year amounted to £391,000."

99. Now, I ask you, seeing it is in the Financial Statement, and in the tables of the Public Works Statement also, does it not show that being in this particular paragraph was an error, which both the Financial Statement and the table proves?—That does not alter my view of the case at all.

100. I do not ask you to alter your views, but I ask you a plain question. Yes or no, does it not show palpably it is an error?—No doubt it was an error, and upon that error was founded a claim to credit which does not belong to the Government.

101. How could there be anything "secret" or "silent," or "surreptitious" when by these other statements the correct amount is shown?—The figures were altered without any indication on the part of the Minister to the public of the alteration. That is the first charge, and that, I think, is absolutely shown. They were secretly and silently altered, in a manner which, no doubt, the Committee will find out.

102. That is the point I want to get you to. When you made that statement in the House, did you not by it charge me with having altered the figures at that particular place for the purpose of leaving out what was in the Statement as regards the reduction of expenditure, and that I had done it "secretly, silently, and surreptitiously"?—Clearly, the alteration did not bear out the Statement; it falsified it.

Mr. G. Hutchison: The charge is not that you altered it from the correct to the incorrect figures.

Hon. Mr. Seddon: You must take the second part of Mr. Rolleston's charge with this—that it was done for the purpose of altering.

Hon. Mr. Rolleston: I must ask that my statement be taken as it is. My statement is in *Hansard*.

The Chairman: The impression upon my mind was that the charge was that a smaller amount had been put into the Public Works Statement to lead to the impression that there had been less expenditure, and that afterwards the correct amount was put in.

Hon. Mr. Rolleston: I never made that charge; but it was made in the House.

103. *Hon. Mr. Seddon*: It was made in the House by Mr. Richardson, and supplemented by Mr. Rolleston?—No.

Hon. Mr. Seddon: That was the accusation; and then Mr. Rolleston followed by making this accusation.

104. *Hon. Sir J. Hall.*] There was one question Mr. Seddon asked Mr. Rolleston I do not think he replied to. Mr. Seddon asked: "Did you hear me express regret at being caught napping, as I wished to make an important correction?"—No, I did not hear that, to the best of my belief. If I had I think I should have remembered it, and I do not.

Mr. GEORGE FRIEND examined.

105. *The Chairman.*] You are the Clerk of the House?—Yes.

106. Have you the Public Works Statement that was laid on the table of the House last year?—I have brought it with me. It was laid on the table of the House on the 27th September, last year. You will find it at page 301 in the Journals.

107. On page 14 of the Statement there is a paragraph headed "Conclusion," and figures—£295,978. Have those figures been altered?—No; they have not been altered.

108. *Dr. Newman.*] If a paper like this is laid on the table, it is then in the possession of the officers of the House?—Yes.

109. And who is responsible for seeing it printed as it has been laid on the table?—It is printed before it is laid on the table.

110. After this Statement was laid on the table of the House, who was responsible for its being bound up, as it is printed, in the Appendices? I will put the question another way: This document was laid on the table with certain figures?—Yes.

111. As bound up in the Appendices those figures have been largely altered?—Yes.

112. Who is responsible for permitting the alterations?—The Printing Office.

113. Have the officers of the House no control?—No control. I may explain. A certain number are printed off for distribution—we will say a hundred and fifty—the balance is retained in store, in the Printing Office, and bound up in the Appendix. Without being seen by any one they are bound up the same as the copies sent up for distribution, unless they have been altered in the Printing Office by order.

114. *Hon. Sir J. Hall.*] By whose order?—We have no control over the Printing Office with regard to documents already printed before being laid on the table of the House.

115. *Dr. Newman.*] Nobody in the House is responsible for anything that appears in the Appendices?—All the papers laid on the table of the House in printed form are printed before being so laid on the table, and they are retained in the Printing Office until bound up in the Appendix. With manuscripts, the officers of the House are responsible for their being printed, and for giving orders. That is the difference. The majority of papers are laid on the table in manuscript form. These we have printed, either during the session or later, and are responsible for their being exact copies.

116. The officers of the House never see the Appendices until they are published?—They have no means of seeing them.

117. *Mr. G. Hutchison.*] Referring now to the printed Journals, which, I suppose, are correct, you find by an entry, page 301, "40. Public Works Statement. The Honourable Mr. Seddon laid upon the table, with the leave of the House, the following paper, which was taken as read: 238. Public Works Statement by the Hon. the Minister for Public Works, D.-1. Ordered to be printed."

118. That is the entry?—Yes.

119. You say that in this case, as in some others, the document was printed?—As a matter of fact, the document was printed beforehand.

119A. You assume that the order to be printed here means that the document, as laid on the table printed, was part of the records of the House?—It is an order made as an authority to cover the expense already incurred by the Government.

119B. What do you say about authority?—To cover the expenses authorised by the Government. Before it is laid on the table the Government have to authorise the printing of a paper.

119C. Would you take the "Ordered to be printed" to be that the document is to be retained in the printed form in which it was laid on the table of the House?—Yes.

119D. Supposing this document was in manuscript, and ordered to be printed, would not some officer of the House be responsible for seeing it was printed?—Certainly, in every case.

119E. Is there any officer to see whether or not the printed matter is retained in the shape in which it is laid on the table?—That would be an impossibility. You would have to examine every copy. It would take more than a year to do one single paper.

119F. You trust to the documents that are brought down in print and ordered to be printed being retained in exact shape?—Yes.

119G. In every detail as they are laid on the table?—Certainly, we consider they are bound to be so.

119H. *Hon. Sir J. Hall.*] In whose custody has this document been since it was laid on the table?—The Clerk of the House is supposed to be responsible. I may say I am responsible. The documents are not actually in my custody. I do not know actually in whose custody the documents are; they are locked up in the record-room. This has been so locked up since last session.

119I. But still in somebody's custody. Who is the official custodian of the papers?—The Clerk of the House is responsible for all documents.

119K. You say that documents laid on the table of the House in printed form are proceeded with by the Printing Office without any control on the part of the officers of the House?—We have not the slightest control.

120. Then do you mean that it would be impossible for a document, we will say a document like the Public Works Statement, to be laid on in one form and important alterations to be made in the Printing Office without the sanction of the House?—Certainly.

121. It would?—Certainly.

122. *Mr. G. Hutchison.*] If it had been laid on the table in print ; otherwise it would be seen to be different from the manuscript?—Yes.

123. *Hon. Sir J. Hall.*] There may be alterations of an important character?—Certainly.

124. And it would be bound up in the Appendix as professing to be the paper laid on the table of the House, when in point of fact it was a different paper?—Certainly. The responsibility would rest entirely with the Printing Office and whosever orders they may be acting under. The papers themselves are not seen until they are bound up with the Appendix.

125. *Mr. G. Hutchison.*] Is it in your recollection that the public works estimates which were brought down—the Public Works Statement—on the 27th September, were incomplete, withdrawn, and a new set brought down?—Speaking from memory I recollect they were. I recollect noticing the omission of a page myself and pointed it out. But I am only speaking from memory.

126. The records show it?—They show it, I believe.

127. Another message from His Excellency came down some days later with a corrected copy of the estimates?—Speaking from memory, I think that is the case. I have some recollection about it. I think there was an interleave.

128. *Hon. Sir J. Hall.*] Are you aware of any previous case in which a Parliamentary paper laid on the table of the House in a printed form has been altered without the sanction of the House?—No, I am not aware of it. I cannot say there has been anything of the kind, to my own personal knowledge.

129. *Mr. G. Hutchison.*] On the 29th September, No. 12 in the Journals, it reads: "Public Works Estimates.—On the motion of the Hon. Mr. Seddon, ordered: That the order made on the 27th instant referring His Excellency the Governor's Message No. 11, enclosing public-works estimates to the Committee of Supply, be rescinded and the estimates withdrawn."

130. These they brought down afresh?—At any rate, after.

131. *Hon. Sir J. Hall.*] Are you aware whether there is a separate account kept of printing done by order of Parliament and printing done by order of the Government?—That is a matter that rests entirely between the Printing Office and the Executive. We have no knowledge.

132. You have no knowledge whether there is a separate account kept of printing done for Parliament?—No knowledge at all. Except as to the printing of *Hansard*, I know nothing. As to *Hansard*, I have accounts sent me every month, and, on the authority of the Government Printer, I pass them as *Hansard* accounts. They are for printing *Hansard*.

133. *Mr. Tanner.*] Papers are laid on the table of the House: are they in two forms; in manuscript and in print?—Yes.

134. Do the officers of the House have the custody of these papers when laid on the table of the House?—Yes.

135. What do you mean by the term "officers of the House"?—During the session?

136. Yes. The gentlemen who have the custody of papers laid on the table of the House. I have been trying to find out for three years?—Well, I could only name them all: the Clerk, the Clerk-Assistant, the second Clerk-Assistant, and the Record Clerk, or Clerk of Bills and Papers, are the only four permanent officers of the House.

137. Four in number?—Yes.

138. They take charge both of printed papers and manuscript papers?—Yes.

139. Do they keep the printed papers supplied to them—which are laid on the table of the House—for compilation in the Appendices; or do they put aside these copies and afterwards receive others which come up from the Printing Office?—You are talking now of printed papers.

140. Yes. Of printed papers only?—A certain number come up from the Printing Office, say a hundred and fifty, for distribution amongst the members. Some of the remainder are kept in store and never touched until they are bound up. The rest remain in store until such or any time they are wanted.

141. Those papers which are laid on the table of the House in a printed form are not always bound up to form the Appendices?—No, never.

142. You say the officers are responsible for manuscript papers laid on the table of the House, and afterwards sent to be printed?—Yes.

143. Are these officers responsible for verbal corrections of the printed papers when these printed copies come back?—Yes.

144. How can they vouch for the verbal corrections when printed unless they compare the written copy and the printed document?—They do compare them.

145. Do you know of any case where papers have been extracted from the file of papers on the table, and when orders have been issued for those manuscript papers to be printed?—I have no knowledge.

146. Are you aware of any charge of that kind having been made?—Am I to speak from memory of anything I may have heard, sitting in the House? I have no knowledge officially of anything of the kind.

147. You have no official knowledge?—No.

148. Have you heard any charges of that kind in the House?—I have some faint recollection of something of the kind occurring last session in regard to some railway papers. I am speaking from memory of what I heard incidentally in the House.

149. You have no knowledge of files of paper being printed in a less perfect form than when laid, in manuscript, on the table of the House?—No official knowledge; in fact, no knowledge.

150. *Mr. Wright.*] The alteration of the figures 295,978 appearing upon page 14 of D.—238, laid upon the table of the House, to figures 391,501 appearing upon page 14 of D.—1, bound up in the Appendices, was made without your knowledge?—Without my knowledge.

151. The Government Printer, I presume, is the responsible officer?—Entirely so.

152. For making these alterations?—Entirely so. He has the custody of the papers. No alteration could have been made without the Government Printer's sanction or knowledge, as he had the custody of the papers.

153. Is it usual, do you know, for the Government Printer to make alterations without authority in public documents?—The Government Printer, in the matter of printed documents, is entirely under the control of the Government. In manuscript documents he would make no alteration except those authorised by the officers of the House. Of printed documents we have no knowledge whatever, except the printed copy laid on the table.

154. The responsibility for the alteration rests, then?—It rests entirely with the Printer.

155. It rests in the first place with the Government Printer, who receives his authority from Ministers?—From the Executive Government.

156. *Hon. Mr. Seddon.*] How long has this system obtained, Mr. Friend—this system regarding printed documents? Has it not been in force ever since you have been in the House?—Yes, certainly, for more than a quarter of a century; for thirty years. I might say, in reference to that, that when I first joined documents used to be printed by officers of the House. The Governor's despatches and all were sent in manuscript before the session; but that was only, I think, for the first year—1863.

157. You would not be surprised to hear that many of the printed documents laid upon the table as printed differ from the copy laid upon the table?—I certainly should be very much surprised. I was not aware of the fact at all. I never had my attention called to it.

158. Have you seen alterations made in Statements—that is, alterations as from the printed copy laid upon the table—on that copy itself, have you seen manuscript notes and alterations?—No; not to my knowledge or recollection.

159. Is this the document, to the best of your belief, that was laid on the table?—That is the document. It is authenticated by the House stamp on the day it was laid upon the table, and that letter and number corresponds to the letter or number in the Journals.

160. And that document has not been tampered with in any way?—Certainly not.

161. Will you turn to the table there, and see what the amount is in Table I., second column. Under the head of "General Statement of Position of Public Works Fund on 31st March, 1892," printed on page 2, there is the statement, "£391,612, including £100,000 paid off." Do you see £491,612?—Yes.

162. Now, turn to Table I. in the Appendix. You see what it shows in the second column?—Yes; £391,612.

163. Does that agree with the amount in the Appendices of the Journals of the House?—I have never examined them.

164. Will you examine them?—Yes. [After examination.] Yes; that is the same.

165. It is the same?—Yes.

166. That which appears in Table I. of the original statement laid upon the table of the House, and that appearing in the Appendix agree?—The figures are the same.

The Committee then adjourned.

TUESDAY, 15TH AUGUST, 1893.

Mr. HORATIO JOHN HOOPER BLOW examined.

169. *The Chairman.*] Mr. Blow, what position do you occupy in the public Service?—I am the Under-Secretary for Public Works.

170. Are you aware of an alteration having been made in the Public Works Statement after it was laid on the table of the House last session?—I am.

171. Could you state to the Committee what you know of that alteration—the history of it?—There is very little, I think, that I can add to the memoranda I have already written.

172. Have you that memoranda?—Yes. It has been printed, the first one as D.-4 of this session [produced], and the second (the one of 26th July) does not seem to have had any number assigned to it at present. (See Appendix A.)

Mr. Seddon: It would be as laid on the table of the House, 142.-D, 1893.

173. *The Chairman.*] You produce that memorandum?—Yes. In it I said, "The total expenditure under the Public Works Fund for 1891-92 was £391,612, as shown in the Appendix to the Statement of 1892, and also in the general statement of the position of the Public Works Fund printed on page 2 of the Statement." I further stated that receipts in aid were received during the year to the amount of £95,634, as shown in Table I. of the Appendix to the Statement, and that if that amount is deducted from the gross total, £391,612, we get a net amount of £295,978, which is the figure originally printed in the "conclusion" paragraph of the Statement. I further stated that it was doubtless an error to print the net amount instead of the gross amount, but that, by pure mischance, the net amount had got printed instead of the gross amount. Then, in my later memorandum of the 26th July, 1893, I said that the responsibility for the error rested entirely with myself and the departmental officers, as I showed these figures to the Premier, and he wrote the paragraph, relying on the accuracy of the figures, which subsequently proved to be incorrect, by the inadvertent substitution of the net for the gross expenditure for 1891-92. I myself discovered the error on the evening the Statement was tabled, and I had it corrected the first thing the following morning.

174. *Hon. Sir J. Hall.*] You mean the evening it was laid on the table?—Yes, sir. Directly the Statement was put on the table I went back to the office and read it quietly through, and saw at once that the net figures had inadvertently been printed in the paragraph instead of the gross;

and, as only a very few copies had then been printed, I immediately rectified the mistake, so that the error should not travel further than could be avoided.

175. *The Chairman.*] You say the alteration was made the first thing the following morning :—Yes.

176. By your direction?—Yes.

177. Was that done without communicating with the Premier?—Yes, sir. The alteration was made by me personally on the morning of the 28th instant. I went to the printing office and saw the alteration made.

178. *Hon. Sir J. Hall.*] To whom did you give your orders?—I took a copy of the Statement with the corrected figures in ink, I believe, in the margin, and gave it to the Overseer in charge. I am speaking on that matter subject to correction. I cannot say positively, but I think that was the course I adopted.

179. What was his name?—Mr. Burns was the Overseer in charge then; he is so still.

180. *The Chairman.*] Is there anything else you can state about the matter?—I do not think of anything else. I shall be very happy to answer any questions that any member of the Committee may wish put to me.

181. *Dr. Newman.*] Who altered it in *Hansard*, Mr. Blow?—The *Hansard* proofs of Statements are always read over with the copy of the Statement as it is finally issued; by the Minister's Secretary generally. That is the usual course.

182. By whom?—By the Minister's Private Secretary. Of course the Private Secretary would find this inaccuracy and correct it.

183. Oh, you are guessing. I do not want you to tell me if you do not know?—I do not know of my own knowledge. I am merely telling you what is the rule.

Hon. Mr. Seddon.: Of course it is evidence if the head of a department states that it is a rule.

Hon. Sir J. Hall.: Oh, yes; a note has been taken of the rule.

184. *Dr. Newman.*] In your other memorandum—that of the 26th July, 1893—you say the "conclusion" paragraph of the Statement was not written till shortly before the Statement was tabled?—That is true. The "conclusion" paragraph would naturally be about the last paragraph that was written.

185. Are you aware that it occurs in the third paragraph of the Statement, and not solely in the "conclusion"?—That what occurs in the third paragraph?

186. This phrase, "that the expenditure thereon had been less during the past year than it has been for years past," showing that this has been handed in——?—I do not read that paragraph in the way you do. I take it the Minister means that the expenditure for the past year was less than it had been in previous years—taking an average—not that it was less than in any one previous year.

Hon. Sir J. Hall.: Let us get hold of the paragraph.

Hon. Mr. Seddon.: It is in the plural, "years."

The Chairman.: It is a liberal interpretation of the words.

Hon. Mr. Seddon.: It reads (*Hansard* of last year, page 433): "Results have proved, however, that fair progress has been made with our necessary reproductive public works, and yet the expenditure thereon has been less during the past year than it has been for years past, and still the colony has advanced." I did not say it had been less than last year.

187. *Dr. Newman.*] In your letter, D.-4, 1893, Mr. Blow, you will see you say, "A small sum of £111 was recovered during the year on account of a grant made to a local body in a previous year, and if this is deducted the expenditure of the year becomes £391,501, as shown in 'conclusion' paragraph on page 14 of the Public Works Statement, 1892, and in the last column but one of Table C. attached to same Statement."

Mr. Blow.: The only reason for mentioning that was, that I wanted to show that this figure came out several times, either in the body of the Statement or in the Appendix attached to it.

188. I want to know why you deducted the £111 and called it £391,501 instead of £391,612?—That was a recovery made on account of the services of a previous year.

189. But the total expenditure was £391,612, was it not?—Yes; but it is quite usual to deduct the recoveries.

190. Why, if you deducted the £111 in the amended Statement, did you not deduct the £95,634 receipts in aid during the year?—Because the £111 was a recovery; whereas the £95,634 was largely made up of ways and means brought to credit of the Public Works Fund, which were not recoveries in any sense of the word.

191. Will you tell me what the gross expenditure for the year was?—£391,612.

192. Are you aware what it is in the Public Works Statement as amended?—Yes; £111 short of that.

193. *Mr. Wright.*] Who wrote the Public Works Statement, Mr. Blow? Was it written by you or by the Minister for Public Works?—I do not think that is quite a proper question. The whole Statement is certainly the Minister's. At his direction I may have written some of the paragraphs, but he is responsible for everything in it.

194. Was it submitted to you to correct the figures?—As regards the figures, I supplied them in nearly every instance.

195. You are responsible?—Yes.

196. You say you discovered this large error immediately after the Statement had been laid on the table of the House?—I think it is a little unfair to call it an error, Sir. The figure is perfectly right, but happens to be the net expenditure, and the other the gross.

197. That is a difference of opinion. You discovered the error, and you caused that error to be corrected—you sent instructions to the foreman of the printers?—I caused the net expenditure to be taken out and the gross to be put in.

198. You had the figures corrected?—Yes.

199. Did you inform the Minister of this error?—No.

200. You did not?—I did not.

201. Did you not think it your duty, in a matter which must have struck you as one of considerable importance, to inform the Minister?—It did not strike me as being a matter of any importance at all. If I had altered the figures throughout the Statement from £391,000 to £295,000 I should have considered it a matter of very great importance indeed. But, as this figure appears in the Statement no less than five times, and four times out of the five correctly, I thought it was not only unimportant to correct the fifth figure to make it harmonize with the other four, but that it was my bounden duty to do so. If I had allowed it to go out as at first there would have been a want of harmony.

202. The third paragraph of the Statement reads: "and yet the expenditure thereon has been less during the past year than it has been for years past." Do you consider that sentence consistent with the facts shown by the figures?—You mean by the corrected figures?

203. Yes, by the corrected figures?—Yes; I do not see any want of consistency. The expenditure undoubtedly was less during that year than had generally prevailed in previous years.

204. Then turn to the second page, and take the fourth paragraph, which reads: "but, as previously stated, the amount expended has been small compared with the expenditure during previous years." Do you still maintain that these figures are consistent with that statement?—Yes, quite consistent. The two paragraphs are worded similarly, and my answer to the one is my answer to the other.

205. You did not inform the Minister of the error? When were the corrected copies of the Public Works Statement printed? If you want me to give evidence from my own personal knowledge I do not know, but certainly not within twenty-four hours of the Statement being laid on the table of the House.

206. After you had corrected the figures?—Publication proceeded at once.

207. How long was it before the corrected Statement was issued from the printing office?—I believe the next day.

208. Why was it not circulated amongst the members?—I am in no way responsible for that. I know nothing whatever about it. I do not know, as a matter of fact, that it was not so circulated.

209. *Hon. Sir J. Hall.*] Who would know?—The Government Printer would know that.

Hon. Mr. Seddon: As a matter of fact it was circulated.

210. *Hon. Sir J. Hall:* What, corrected?

Hon. Mr. Seddon: Yes.

Mr. Blow: I know several members came and got additional copies, and these were all in the correct form.

211. *Mr. Wright.*] Did you suggest to your Chief, the Minister for Public Works, that it was expedient to circulate the corrected copies?—No. I have already stated that I did not even mention to the Minister that there had been an error in it that had called for rectification.

212. The reprint, the corrected copy, was ready the day following the alteration you made?—Yes, I believe so.

213. Can you say why it was not laid on the table until the 10th October? Do you know anything about that?—I do not think it was laid on the table on the 10th October. At any rate I have no knowledge of anything of the kind. I thought it had never yet been laid on the table of the House.

Hon. Mr. Seddon: The corrected copy? Certainly not.

214. *Mr. G. Hutchison.*] Will you look at page 14 of the Statement—the "Conclusion." The last set of figures, £295,978, are incorrect on the basis of the other figures given, are they not?—Yes. Those figures do not appear in the Public Works Statement as generally circulated, and bound in the Appendices.

215. Excuse me, I am speaking of the document laid on the table of the House?—Oh, yes.

216. The copy of which I am speaking was the one circulated to members, and laid on the table of the House. The £295,978 were not the correct figures, relatively to the other figures mentioned in the same paragraph?—Relatively, I do not think they are, because the 1891–92 figures are net, and the others are gross.

217. I ask you whether they are correct relatively with the other figures in the same paragraph?—I have already answered the question.

218. You say they are not — ?

Hon. Mr. Seddon: He says they are correct as the net, but not as the gross.

219. *Mr. G. Hutchison.*] Are they relatively the correct figures?—Not relatively; the one being the net and the other the gross.

220. This £295,978 ought to have £95,634 added, to make it relatively correct with the other figures?—Yes.

221. Very well, that makes £391,612?—Yes.

222. Why did you not, in correcting the Statement, put in the correct figures? You will see, in correcting the Statement, you did not make it correct; instead of £391,612 you put in £391,501?—I, of course, deducted the sum of £111, a recovery made during the year, as stated in paragraph 2 of my memorandum, which has been printed as D.-4.

223. Why did you do that?—Because it has been the rule to deduct recoveries made during the year, as the tables themselves will show.

224. Do you mean to say the other figures given here have deducted from them such recoveries?—Certainly.

225. They have?—Undoubtedly.

226. *The Chairman.*] In that case the word “relatively” would not apply?—Perhaps a misapprehension exists in the matter of these recoveries, as distinct from the receipts in aid. The recoveries are always shown as credits to votes, and deducted off the expenditure. That is the rule in the Treasury, as well as in our department, and I believe in every other department. But the receipts in aid are made up of grants from the Consolidated Fund, amongst other things, and are in no sense recoveries on account of the vote. If I am asked if £295,000 is relatively correct, as compared with the other figures, I say it is not, because the receipts in aid have been deducted in that. But I still maintain that the recoveries made on account of the vote during the year are properly deducted from the gross total expenditure.

227. *Mr. G. Hutchison.*] The £295,978 is relatively incorrect with the other figures?—Yes.

228. You say that £391,501 is relatively correct?—Yes.

229. Well, I asked why is that so, seeing that the gross expenditure is £391,612, or £111 different?

Hon. Mr. Seddon: Because there are £111 recoveries.

Mr. Blow: I think I have explained that already. It was for recoveries made during the year, £111.

230. *Mr. G. Hutchison.*] You say that £391,501 is the correct figure, or set of figures, to insert here?—Yes.

231. Where are these figures to be found by any deduction of other figures on page 2? Just point them out to me if you can?—My statement was —

232. Can you point out any figures on page 2 which will give the result you have inserted at page 14?—If you will give me an opportunity I will answer your question, but I will not have the answer put into my mouth.

233. Excuse me, I have not put an answer into your mouth, because I do not know what it will be. But point out on page 2 any figures that can give the result of £391,501?—I have not made the statement that on page 2 the figures £391,501 appear. What I stated was that the total expenditure of the year was £391,612, as shown in the second column of Table I. of Appendices, and as also shown in the general statement of the position of the Public Works Fund on the 31st March, 1892, printed on page 2 of the Statement, except that the latter statement includes £100,000 paid off the floating debt, so that in that statement the figures appear as £491,612 instead of £391,612 only. That is stated in D.—4, 1893.

235. Now, I will suggest the answer. Do not the figures on page 2 indicate the expenditure was £391,612, and not £391,501?—Yes.

236. You have stated in evidence that the references to the expenditure of the year 1891–92 appeared five times in the Statement, four times correctly. Will you point out the four places where they are correctly stated?—This difference of £111, will, of course, come in.

237. I want to know where it is four times correctly stated?—Well, I will show you—it is first shown on page 2.

238. What is shown on page 2?—As £491,612, with a note stating that this includes £100,000 paid off the floating debt, and that reduces it to £391,612.

239. Is that correctly stated?—It is correctly stated as the gross expenditure of the year. Then in Table A, immediately following the Ministerial Statement, the second column, headed “Expenditure during the year ending the 31st March, 1892,” shows a total of £312,482. That is the gross expenditure under Part I. In Table B, also in column 2, the gross expenditure under Part II. is shown as £79,130. The total of these two figures is £391,612, as shown on page 2 of the Statement.

240. That is the second time it is correctly shown?—Yes.

241. By adding two amounts in two separate tables together?—Yes.

242. That makes again £391,612. Where is the third time?—In Table C., the last column but one. Table C. shows the expenditure for all the years from 1880–81 to 1891–92, the total for 1891–92 being £391,501.

243. Has there been any alteration in the working of these tables?—Yes, I see there has. It is incorrectly marked there D.; it should be C. It is a typographical error.

244. We all take it by the document laid on the table of the House. In the table of the Appendix it is called C. In certain other documents, including the one laid on the table of the House, it is called D.?—That table shows the expenditure in each of the years from 1880–81 to 1891–92, and the total of the column from 1891–92 is £391,501. If you will kindly look near the top of that column you will find under the heading of “Grants in aid” a credit of £111, which has been taken off in making the addition. If you disregard the credit of £111 the addition will come to £391,612.

245. *Hon. Sir R. Stout.*] There is no such credit in this table I have.

Mr. Blow: I see your copy is like the one laid on the table of the House, and does not show the credit. If you prefer to take the Statement as printed there, no reconciliation is necessary, as it shows a total of £391,612.

Mr. G. Hutchison: I am examining you on the document before us.

Hon. Sir R. Stout: That has been altered as well.

246. *Mr. G. Hutchison.*] So it seems. If necessary, we must get the document which is the record of the House?—I am speaking from the Statement as generally circulated, and printed in the Appendices, because I thought it would be most convenient so to do, inasmuch as that Statement is generally available for reference; whereas a copy of the Statement in its incorrect form, as laid on the table of the House, could scarcely be found now if you were to try to get one.

Mr. G. Hutchison: I have preserved mine.

247. *The Chairman.*] There is one question I would like to ask *Mr. Blow.* Turn to Table C., General Summary, 1888–89. Do you see there is a credit there of £90?—Yes.

248. The following year there is a credit of £153?—Yes.

249. And the following year a credit of £395?—Yes.

250. Are these sums deducted in the same way?—Yes, they are deducted from the gross total, so that the amount appearing at the foot of the table is the net amount. [Record copy of Public Works Statement, 1892, as laid on the table of the House, produced.]

251. *Mr. G. Hutchison.*] You say the third time the figure is correctly stated is to be found in Table D.: I am taking my stand on the record of the House. Now, where is the fourth time?—Now that the record copy of the Statement as laid on the table of the House has been placed in my hands, I have to say that the table printed as C. in this Statement, as printed in the Appendices appears as Table D. in the record copy. This table shows the expenditure from 1880–81 to 1891–92, the total of the 1891–92 column being £391,612.

252. Where is the fourth time it is correctly stated?—The fourth time is in Table I. of the Appendices to the Statement—page 2 of the Appendices.

253. *Mr. Guinness.*] To the Statement laid on the table?—Yes, this table was never altered. The second column of this table shows the expenditure for the year as £391,612 5s. 7d. That is the fourth time.

255. Where is it not correctly stated?—The one place where the figure was not correctly stated, and needed to be rectified, is in the concluding paragraph of the Ministerial Statement. It appears on page 14.

256. Now, Mr. Blow, you have referred to four times correctly stated, and indicated the amount to be £391,612. Yet that is not the amount inserted at page 14. You explain that by saying there was a credit in the year of £111?—I had no idea that the Committee was going to attach so much weight to this question of the £111. I rather thought the question of the £95,000 was to have been gone into, but I have already said that the credit of £111 is correctly deducted from the total expenditure. The table printed as Table C. in the copy of the Statement appearing in the Appendices, and which appears as Table D. in the record copy, shows that in each of the years from 1888–89 to 1891–92 there is a credit, and in some cases more than one credit. Each of these credits is deducted from the total expenditure.

257. I will put it in this way: Can you point to any place in this Statement except where you have corrected the figures to £391,501 where these figures can be found?—Not in the record copy, but in the copy printed in the Appendices these figures appear as the total expenditure for the year 1891–92, in Table C.

258. I will take it, in the record copy they do not appear, but in the corrected copy they appear in Table C.?—Yes.

259. Who made the corrections in this table?—The Accountant.

260. What is his name?—Mr. Clapham.

261. By whose direction, do you know?—If he consulted me in the matter, I, doubtless, should have directed him; but I am not aware at the moment whether he did or not.

262. You cannot say, then, how these alterations came to be made in the table?—Oh, I think I can.

263. How were they made?—By reason of the credit of £111 not having been printed in the copy that was laid on the table of the House, and the omission being noticed.

264. But you have not answered, as a matter of fact. Here is a document laid on the table of the House at 4 o'clock one afternoon. In the evening you discover an error in one part of it, and you go down to the Printing Office and authorise a correction or alteration. We find now that an alteration has been made in another part of the same document. Was that other alteration made by your authority, or not?—I hardly know how to answer the question. It certainly was not made by Ministerial direction. I am not even aware that it came as far as myself. I rather think the Accountant made it on his own responsibility.

265. *Hon. Sir J. Hall.*] Where? At the Printing Office?—Possibly. He revises all these tables.

266. *Mr. G. Hutchison.*] You cannot explain that alteration, can you, except by —?—In no other way than I have done already.

267. If you do not know how it was done, how can you say that it was done without Ministerial responsibility?—Because the Ministerial directions are always conveyed through myself.

268. Where is the manuscript of the Public Works Statement of last year?—It is filed in the Public Works Department.

269. Do you have the custody of it?—Yes.

270. Have you brought it?—Yes.

271. I ask you to produce it?—I do not think I can agree to produce it. I should very much like to do so, because it entirely upholds what I have said. But if Under-Secretaries can be called upon to produce drafts of Ministerial Statements, I hardly know where that would end.

Mr. G. Hutchison: It is not a question for you, but for the Chairman.

Mr. Guinness: I submit it is not a question that should be asked.

Mr. G. Hutchison: He may say, "I decline to produce it."

Hon. Sir R. Stout: It seems to me to be a privileged document which this Committee has no right to call for unless the Minister is willing.

Mr. G. Hutchison: I ask for a particular document, the manuscript of the Public Works Statement. On this being called for, Mr. Blow objects unless the consent of the Minister is given, and the Minister, being asked, declines.

Hon. Mr. Seddon: I must refer you, Mr. Chairman, to the order of reference which refers to the alterations made in the Public Works Statement as laid upon the table. That particular slip, where that alteration is made, of the original draft I approve of being put before the Committee. The other portions of the Statement are not questioned, Hence I refuse to give the original draft.

The particular portion where the alteration is made I am willing to have placed before the Committee, and the Under-Secretary is now at liberty to produce it.

Mr. G. Hutchison : I understand that the manuscript is not to be produced ; that the Minister declines.

The Chairman : That is the answer.

Hon. Mr. Seddon : Unless it is this particular slip.

272. *Mr. G. Hutchison* : Having failed to get the manuscript of the Statement I wanted, I will take the bit of it I can get. Will you produce the part of the manuscript the Minister is willing to have produced?

Hon. Sir R. Stout : I understood the Minister was not willing to have the manuscript produced—only the printed slip.

Hon. Mr. Seddon : The printed slip with corrections.

The Chairman : It is not decided for Mr. Hutchison to ask the question.

Mr. G. Hutchison : I am asking the question to get it on record.

Mr. Blow : This is the manuscript of that paragraph.

Hon. Mr. Seddon : I assent to its production.

Mr. Blow : I produce the original draft of the concluding paragraph, which the Minister has now authorised me to do. [Exhibit 1 produced.]

273. *Mr. G. Hutchison* : Is it in your handwriting?—In the handwriting of the departmental shorthand-writer.

274. And you refuse to produce any other parts? I want it definite. Under authority, you refuse to produce the manuscript of the first part?—I have already stated that it appears to me that it would be a most improper course for me to produce it.

275. That is most irrelevant and improper. It is not what a witness thinks, but what he is required to do. I must go through this form of asking you. Will you produce the manuscript of the first portion of the Public Works Statement as printed? You naturally would not do it on your own responsibility.

Mr. Guinness : I think it is right, Mr. Chairman, for members of the Committee to interpose and ask you to rule that question as irrelevant. It has nothing whatever to do with the question remitted to us to consider.

Mr. G. Hutchison : I ask the witness to produce the first page of the Statement, and I submit it is a question that ought to be allowed, and it is a matter of right that it be put on the shorthand notes. I submit, however, it is a proper question to put, because the first part of this Statement is in the same strain as the conclusion. In it there is this passage : “ that the expenditure thereon ”—that is, public works—“ has been less during the past year than it has been for several years past,” a passage which, as far as I understand English, is supported by the printed figures—before they were altered—in the concluding part of the Statement. They are linked together and have associations, and I think the first part is unmeaning without the wrong figures in the concluding paragraph.

The Chairman : I regard the draft copy as a private copy, and not a record.

Mr. G. Hutchison : The Minister has a right to refuse it, I concede. But the question is raised, have I a right to ask for it?

Hon. Mr. Seddon : No. By the order of reference—and I would ask a ruling on this phase of the question—the question before the Committee is as to whether I, as Minister, had made any alterations. If the question is put to witness, “ Were any alterations made in the first part of the Public Works Statement,” he answers, “ No, there have been no alterations.” If there have been no alterations the question was not remitted.

Hon. Sir R. Stout : It does not seem to me—I am putting my interpretation upon it—that, as this has not been altered, we need go into it at all.

Mr. G. Hutchison : In this letter which is printed, and which has been referred to, Mr. Blow makes a point of that : “ the concluding part of the Statement was written shortly before it was tabled.” In that part are the wrong figures. That statement of Mr. Blow’s leads us to infer that the rest of the Statement was written without reference to the concluding part. That is the point Mr. Blow makes, and which Mr. Seddon appears to adopt. Now, there is a reference in the first part of the Statement, which, on the face of it, must have been written also at the same time, or upon the same figures as those in the conclusion. It is for the purpose of testing the accuracy of that—

Mr. Guinness : The accuracy of what?

Hon. Sir R. Stout : Apparently the figures appearing at the end of the Statement were given to the Minister by Mr. Blow, who made a blunder ; and I suppose this was written on the assumption that the expenditure was only £290,000 instead of £390,000.

Mr. G. Hutchison : That is exactly opposed to the explanation of Mr. Blow.

Hon. Mr. Seddon : You say, “ which Mr. Seddon appears to adopt.” Mr. Seddon has indicated nothing of the kind. I have asked no questions yet, and it is not fair to me to make a statement of that kind.

The Chairman : My view is that any alteration in the phraseology of the first portion of this Statement is not within the order of reference. There is no connection whatever with the alteration of the figures.

Mr. Guinness : Therefore the question is irrelevant and cannot be put.

276. *Mr. G. Hutchison* : What was the next stage, Mr. Blow, this Statement assumed after this manuscript?—It went to the Printing Office and was duly printed.

277. Have you the proof received from the Printing Office?—Yes.

278. Will you produce it?—Certainly—not of the whole statement, but, if the Premier approves the production of the proof of that paragraph, I can produce it

279. I do not think you ought to limit it to "if the Premier has no objection."

Hon. Mr. Seddon: I agree to the production of this particular paragraph—this concluding paragraph. You are entitled to the first print of that.

280. *Mr. G. Hutchison*: No more?

Hon. Mr. Seddon: Certainly not, after the Chairman's ruling.

Mr. Blow: I produce the print of the concluding paragraph, showing the revision that it subsequently went through. [Exhibit 2 produced.]

281. *Hon. Mr. Seddon*.] What are the figures in that?—The figures are quite unaltered.

282. But what are they?—The figures for 1891–92 are £295,978. The print, of course, is an identical copy of the draft; then it underwent a subsequent revision, but the figures were not altered.

283. *Mr. G. Hutchison*.] Did you order the copies to be printed?—Yes.

284. You gave the order?—Yes.

285. How many copies did you order to be printed?—I did not name the number. I simply authorised the Statement to be printed off. The Printer prints the ordinary number for parliamentary papers, with any special number I may require for departmental use.

286. How many of these Statements as laid on the table were printed?—None at all of those as laid on the table were printed for general circulation.

287. You got none at all?—I got one myself, and one to be laid on the table of the House, and they were also distributed to members. It is usual, I may say, with important Ministerial Statements, to only print a short number on the night they are delivered, and to give an opportunity the following morning of making any corrections—immaterial corrections—that may be required.

288. *Hon. Sir J. Hall*.] What is that—just say it again?—It is usual to only print, on the night when the Ministerial Statement is delivered, a short number—that is to say, the smallest number possible that will suffice for the members of the House of Representatives and the Press.

289. What did you say about the object?—The object being to give an opportunity of making any trifling corrections that may be needed on the following morning. The total number is printed off the next day.

290. *Mr. G. Hutchison*.] Of Ministerial Statements out of your own department do you speak?—Yes, I have no doubt, the Financial Statement.

291. Do you know of your own knowledge?—If you will wait a moment I will tell you; you will not give me time to reply. I have myself seen a Colonial Treasurer read a Financial Statement that has been made up of sheets and slips, and extensively altered in red ink, the Statement being printed off in its proper form the next day.

292. When was that instance?—It has occurred more than once.

293. Give us one instance please?—When Sir Harry Atkinson introduced his Statement, and the alterations were made in the tariff.

294. That would be 1888?

Hon. Sir R. Stout: 1888 was the time.

295. *Mr. G. Hutchison*.] You say Sir Harry Atkinson's Statement, which introduced alterations in the tariff?—Yes.

296. That would be in 1888, I suggest?—I do not speak positively of the year.

297. I suggest it. We will take another instance if you can give it?—I cannot name another instance, but there have been others.

298. As to this one instance. Do you suggest there was any alterations made in the figures of the Statement after it had been delivered in the House?—Oh, I am not able to suggest what the alterations were; but the Statement, as read, was not in its final shape. It was made up of sheets of very unequal size, as anyone in the gallery could perceive.

299. But you do not suggest there was any alteration made in that Statement as bound in the Appendix and that delivered in the House, do you?—I am not in a position to do so, for this reason: unless one took a shorthand note of what was read in the House and compared it with the copy appearing in *Hansard*, you could not tell.

300. Then you do not know what there was?—I told you all I know. I cannot tell you anything more than that.

301. But this moment you indicated there were instances out of your own department.

Hon. Mr. Seddon: I think we may hear what the witness does know without being interrupted.

The Chairman: I think it would be better if questions were asked without comment.

302. *Mr. G. Hutchison*.] That is what I am doing. Can you, Mr. Blow, refer the Committee to any other instance in which the Public Works Statement has been altered after it has been delivered in the House, or laid on the table of the House?—I do not know that I can specifically, but I am aware, speaking generally, that alterations have been made. Of course, the practice of laying on the table has not prevailed very long, and I was going to remark just now, in answer to your former question, that a statement orally delivered in the House, and a statement laid on the table of the House, do not offer like facilities for correction. Any alteration made in a statement laid on the table of the House is abundantly apparent, but a statement orally delivered may be altered from beginning to end, and no one could say that it had been altered at all. As a Government officer, I know that statements are not always in their complete form when brought down to the House, being put into complete form the next morning. Of course, no Minister would make an important alteration, or any other than a quite immaterial one.

303. Then I understand you can refer to no other instance of a Public Works Statement being altered after it has been laid on the table?—No; I cannot call to mind at the moment any other instance.

304. Can you refer to any other document laid on the table of the House by a Minister of your department being altered?—No; I cannot say that I can.

305. Have you the memorandum—continuing with this letter of the 26th July—which you say was compiled in the Accountant's office?—Do I say the memorandum compiled in the Accountant's office.

306. Yes. You say, "When the statement was being compiled I got a memorandum of the expenditure for the last seven years from our Accountant's office"?—Yes, I have it, I think. Yes, I have.

307. Will you produce it?—Yes; I produce the memorandum. [Exhibit 3 produced.]

308. Were these pencil figures on it?—No; they have been put on it recently.

309. By whom?—By the Accountant.

310. What is his name?—Mr. Clapham.

311. Now, what led to your discovery, on the 27th September last, of the error on page 14 of the Public Works Statement? What led to the discovery that the net figures had been printed, instead of the gross?—I had the gross figures in my mind quite well. I knew the expenditure of the year by heart. It had slipped through without detection in the first instance; but on reading the Statement over calmly and quietly, after it had been laid on the table of the House, I detected it.

312. *Hon. Sir R. Stout*: When was that? The same evening?—The same evening.

313. *Mr. G. Hutchison*: In the House, were you?—No; I went back to the office.

314. Did it not occur to you to mention what you had discovered to the Minister?—No. I have already stated that I did not regard the matter of altering the fifth figure to make it harmonize with the other four as being a matter of any great consequence.

315. You did not tell the Minister at all?—No; I did not.

316. When did you first mention it to the Minister?—On the evening that the Public Works Statement was under discussion in the House. Mr. G. F. Richardson and Mr. Mitchelson both drew attention to the alteration in the figures, and I then mentioned to Mr. Seddon that the alteration had been made by myself, and the reason for making it.

317. That was some time in October?

Hon. Mr. Seddon: 5th October.

318. *Mr. G. Hutchison*.] A week after?—Probably.

319. When did you first make a memorandum on the subject—on the 26th July of this year?—I fancy that is not the date. The date can be obtained, because my memorandum was written in reply to a question on the Order Paper, and that is dated the 27th June.

320. I only want to be quite sure of your answer, Mr. Blow—that the other figures in this "conclusion" paragraph of the Public Works Statement are relatively the same as the expenditure for last year as corrected by you. You adhere to that statement?—I do, because the Statement itself bears it out. Any member can see, by reference to Table C, that the credits are taken off in such years as they occur.

321. The annual credits?—The credits accruing during the year.

322. Then you say that this paragraph is to be read as if the words "loan-expenditure, after deducting the credits for the several years," was so-and-so? You mean that?—Yes.

323. *Hon. Mr. Seddon*.] Credits for recoveries? There are other credits?—The credits for the year, not including "Receipts in aid."

324. *Mr. G. Hutchison*.] He still adheres to "credits," notwithstanding your suggestion. (To witness): "The loan-expenditure, after deducting the credits of several years, are as follows"?—Yes.

325. That is what it really means?—Yes.

The Committee then adjourned.

WEDNESDAY, 16TH AUGUST, 1893.

Mr. H. J. H. Blow further examined.

326. *Hon. Sir J. Hall*.] Mr. Blow, I think you said the corrections in the tables to the Statement were made by the Accountant?—Yes, Sir; I think so.

327. Could you say when they were made?—The Accountant has been summoned to attend the Committee this morning. He will speak for himself.

328. If you do not know?—I do not know from my own personal knowledge; but, of course, they must have been made between the time of tabling the Statement and the time of its general distribution, which was on the following day, because they are correct in the copy as printed in the Appendices.

329. Between the time of the Statement being laid on the table—?—Yes, and the printing off of the total number, which, I believe, took place the following day.

330. Then, I think you stated that other corrections had been made in this Public Works Statement as laid on the table?—Not in this Statement.

331. Did you make no other corrections?—No; I made no other corrections that I am aware of. I made a remark that other Statements had been corrected in a similar manner.

332. You yourself did not make any other corrections?—Not that I am aware of.

333. Were these instructions of yours given *vivâ voce* or in writing to the Printer to make these alterations?—I cannot recollect distinctly, but I should think there is no doubt at all they were in writing. I do not think they would take them by word of mouth.

334. I understand you went down to the Printing Office?—Yes. The form ordinarily adopted is simply to take the proof-sheet with the corrections noted in the margin. I have no doubt that course was followed in this case.

335. Then you have stated that it is not unusual for documents, after having been laid on the table, to be corrected. Can you give any instances?—I think that is perhaps going a little beyond

what I said, which was, I believe, that important Ministerial statements were not printed off—that is to say, the total number is not printed off—until the day following their delivery usually, with a view to giving an opportunity of their being corrected if necessary. But that does not apply to all papers laid on the table of the House, or even to papers laid on the table generally.

336. I think your answer conveyed that impression to my mind, at any rate?—If so, I should like to correct it. My recollection is not the same as yours, but if I did convey the impression that it was quite the usual thing to alter papers laid on the table, I wish to correct that impression.

337. No, I did not say as a usual thing, but that it has been done?—I do not know that it has been done except in Ministerial Statements.

338. You mean Public Works Statements or Financial Statements?—Well, Financial Statements are not laid on the table in the way that Public Works Statements are now. And Public Works Statements were not always so laid on. When they were orally delivered it was not by any means infrequent to correct them.

339. You say you are not aware of any other corrections except in Ministerial Statements. Can you name any Ministerial Statements in which corrections have been made besides this?—Speaking generally, I think I may say I scarcely ever recollect a year when the Public Works Statement has not been altered in some minor respect.

340. After being laid on the table?—Well, that course has only been followed during the last three or four years.

341. We will say in the last three or four years. Do you know of any year in which alterations have not been made after the Statement has been laid on the table? I understand you to say you scarcely recollect a year in which some alterations have not been made?—Yes; but in that I particularly referred to Statements orally delivered. I also think alterations have been made in some Statements laid on the table; but if you ask me to place my finger on an instance, after this lapse of time, I could not do so.

342. Your impression is that alterations have been made?—Oh, decidedly.

343. By whom have the alterations been made; by the Minister, or by yourself or other officer, without instruction from the Minister?—Only alterations in figures would be made, as a rule, and the Under-Secretary would make these. Of course, if the alterations were very material he would doubtless mention the matter to the Minister on making the alteration.

344. I do not ask what would be done, but what was done. Can you charge your memory as to that?—I scarcely understand.

345. I think you stated that alterations had been made in Statements delivered verbally, and Statements laid on the table?—Yes, that is my impression.

346. Then, I ask you, upon whose authority they have been made?—Upon the authority of the Under-Secretary only, I think, as a rule.

347. Without communicating with the Minister?—Yes, I think so.

348. That is important?—Unless the alteration was of some moment.

349. Then, you stated the alterations made in these figures were made to harmonize with the other figures in different parts of the Statement, to make them agree?—Yes, that is so.

350. Are you not aware that the concluding paragraph of the Statement tells the public that a diminished public expenditure has taken place, and that the letterpress, the Minister's own words, say it?—Yes. I gave my impression of that yesterday, Sir John. I think the Minister's intention was to convey this: that the expenditure of the year under review had been very much less than had been prevailing in previous years, not necessarily that the amount was less than had prevailed in any and every single previous year.

351. Do you not think that the alteration of the letterpress was just as much required as the alteration of the figures, in order to make the Statement harmonize one part with the other?—No, I do not think so; but even if I had thought so, it clearly would have been beyond my province to have altered the letterpress.

352. Certainly; but if you made that correction in the figures why did not you inform the Minister of it?—Really, I hardly know. Seeing the importance that has been attached to it since, I think now that I ought to have done so. But, honestly, at the time it did not strike me as a matter of any great consequence. With a thing four times right in the Statement, and inadvertently wrong once, I did not see any impropriety in correcting the one place where it happened to be wrong.

353. You say you informed the Minister of it when the matter was in debate in the House? Was that so?—Yes.

354. Did you inform him of it before it had been discovered by Mr. Mitchelson and Mr. Richardson or afterwards?—After they had spoken.

355. It was in consequence?—Yes. It was with the view of enabling the Minister to explain, if he thought fit so to do.

356. And if they had not spoken I suppose you would not have informed the Minister?—Probably not.

357. Will you look at that return; periodical monthly return [handed to witness]. It is a monthly return of the public works expenditure for the month of October, 1880?—Apparently.

358. It was during the time I was in office. Is a return like that still prepared in the department?—Yes, we still prepare that monthly statement.

359. Every month?—Yes.

360. Then, I suppose Mr. Seddon had this return laid before him every month?—Oh yes, I think so.

361. Stating the appropriations for the year, the expenditure to date, and the balance unspent?—Yes.

362. And the balance available still?—Yes, that information is usually furnished. It is a confidential departmental return, and is not published.

363. For the information of Ministers?—For the information of the Public Works Minister.

364. *Hon. Mr. Seddon.*] Turn to the concluding paragraph of the Public Works Statement, Mr. Blow. It says: "For the purpose of knowing how the tapering-off policy, succeeded by the self-reliant non-borrowing policy, has affected our public works expenditure during the last few years, I give the following figures, which represent the total expenditure under the Public Works Fund during each of the years mentioned, and which bear eloquent testimony to the self-sacrificing spirit exhibited by our colonists." Then the expenditure for the particular years is given below?—The whole object of this paragraph is to show the effect of the self-reliant non-borrowing policy of the Government. And, of course, the effect of that is just as readily shown if the expenditure is greater as if it had been less. Indeed, it seems to me that it is more markedly shown if the expenditure is greater, because no great amount of self-reliance would be shown if the expenditure were gradually diminishing until it got down to nothing at all.

365. Well, now, you have stated that four times the correct figures appeared in the Public Works Statement?—Yes, that is so.

366. Are you not also aware the correct figures, £391,000, are also given in the Financial Statement?—Yes, and likewise in the Public Works estimates.

367. Was not the Public Works Statement put on the table with these?—With the estimates?

368. Yes?—Yes, at the same time as the estimates, and subsequently to the Financial Statement.

369. Then the Public Works Statement and the Public Works estimates were submitted showing the correct amount?—Oh, yes, it not only showed the total, but all the details leading up to the total, that total being £391,612.

370. Then, four times in the Public Works Statement, once in the estimates, and also in the Financial Statement, the correct information was given?—That is so.

371. Now, on this question of Public Works Statements orally delivered: You have been a very considerable time in the Public Works Department?—Rather more than twenty years.

372. And it is within your knowledge during the time you have been there, that alterations have been made in Ministerial Statements of a character such as this correction now under review?—Certainly. I can speak from personal knowledge over a period of six or seven years, since the time Mr. O'Connor was made Under-Secretary. I was Assistant Under-Secretary under Mr. O'Connor, and confidential relationships existed between us; and I usually assisted him with the Statement work.

373. The only other correction of which you are aware, that has been made in the Public Works Statement of 1892-93, is the correction giving the credit of £111 in table C.?—That is the only one I can call to mind. It is quite possible "this" may have been substituted for "that," or "who," for "which," or "what," in some places; but certainly no corrections that are material.

374. Do you remember what occurred when Mr. Mitchelson was speaking? Did I come to you, do you remember, when he made the statement, asking you if what he said was correct?—Yes, I think you did. I was sitting behind the chair, and I think you came across the floor of the House and asked me for an explanation of it.

375. Would I state correctly your reply if I say you informed me that the net amount had been given instead of the gross expenditure?—Certainly. That is what I have told the Committee here already.

376. After Mr. Mitchelson had made the statement, did Mr. Richardson subsequently speak?—They both spoke about it. I rather think Mr. Mitchelson spoke before Mr. Richardson; but I cannot say positively.

377. Were you there when the debate closed on the Public Works Statement?—Yes; I remained throughout the sitting.

378. Did I reply?—No; I think you were asleep when the time came to reply.

379. Do you remember it being stated by me, when I was informed we were in Committee, that there were some corrections I wished to make?—Yes. I forget the exact words you used, but you did make some allusion to it. You said, I think, that the country had lost the benefit of your speech.

380. On your giving me the figures in this "conclusion" paragraph—namely, the net figures—the paragraph subsequently dictated by me, and written by the shorthand reporter?—Yes.

381. After you had given me the net figures?—Yes.

382. And the other figures of the years?—That is so. I showed you the statement of the figures of those years, and you then dictated the paragraph.

383. On comparison of the three years of the previous administration with our period, do you not find that in the period of our administration there has been a reduction in the expenditure?—Yes, a large reduction; the figures for the three previous years being respectively £613,939, £482,464, and £334,756.

384. That is consistent with the statement which says the public works expenditure during the last few years was lessened?—Yes. The average for the three years was £477,053 per annum.

385. And the average for the time we have been in office with the non-borrowing policy?—We have only the figures for one year before us—namely, 1891-92, £391,501; a reduction of £86,000.

386. Well, Mr. Blow, if the statement had been made that I had "silently, secretly, and surreptitiously" falsified the Public Works Statement, would it be true or otherwise?—Oh, such a statement would be decidedly incorrect.

387. There is nothing, so far as this Statement and these corrections go, that is unusual?—Nothing unusual whatever.

388. You are positive I did not instruct you to do this, and that I was not aware it had been done until you told me on the 5th October—the night of the debate?—That is undoubtedly so, as I have already stated.

389. Would you read that?—It is a copy of the *New Zealand Times* of Thursday, the 6th October, 1892, and it reads as follows:—

“The Hon. Mr. Mitchelson, speaking on the subject [Public Works Statement], contended that the total amount spent on public works last year was £56,000 more than the Minister had put down in the Statement, and he further said he had not proved that the works done were reproductive, while the Minister proposed to spend £661,000, or nearly double the amount that was spent last year.”

“The Hon. Mr. Richardson contended that the Public Works Statement was contradicted by the Financial Statement to the amount of £96,000. As to the expenditure of the money, he urged that it should be spent on roads rather than on railways.”

390. Will you take that paper now?—It is the *Evening Press* of the same date, the 6th October, 1892. That reads:—

“He [Mr. Mitchelson] denied that the reduction in the expenditure claimed by the Minister was correct, the tables in the Statement showing, he asserted, that the expenditure was £56,000 more than stated.”

392. Read the next paragraph.—The same paper reads:—

“The Hon. G. F. Richardson pointed out that the Financial Statement contradicted the Public Works Statement as to the amount of expenditure for the previous year to the extent of £96,000.”

393. Now, will you read that paragraph?—This is from the *Evening Post*, also of the 6th October, 1892:—

“The Minister claimed that the expenditure of last year was considerably less than that of the previous year, but he (Mr. Mitchelson) held that the Statement showed that whereas the expenditure in 1890–91 on public works was £334,000, the expenditure for last year was £391,000, which proved that Mr. Seddon was no less than £56,000 out of his reckoning.

“Mr. Richardson considered the Statement most misleading. It proved that the Minister had underrated the expenditure last year by £96,000.

394. In the Parliamentary Notes you will see something else?—In the Parliamentary Notes of the same paper appears the following paragraph:—

“The House last night and this morning was the sleepest of the session. The Minister for Public Works was caught napping for once, and when the last speaker finished on the motion to go into Supply, at 4.15 this morning, he was fast asleep, and lost his right to reply.”

395. I might ask Mr. Blow to read a paragraph in *Hansard*, 1892, page 897?—There Mr. Seddon says, “The debate on the Statement was simply flattery”—the date was 11th October, 1892—“so much so from the Opposition side that he did not find it necessary to answer the speeches;” whereupon Mr. Buchanan interjected “the honourable gentleman was sound asleep.”

Mr. Guinness. Mr. Blow, were you in the House at the time the statements were made by members who pointed out this discrepancy?—Yes, I heard the speeches of Mr. Mitchelson and Mr. Richardson delivered.

397. Is that the first time your attention was drawn to the mistake?—Oh, by no means. I have already stated that I myself discovered the mistake the very evening the Statement was laid on the table, and rectified it the first thing the following morning.

398. When you heard these gentlemen make these statements, did you notice whether Mr. Seddon was in the House, or whether he was awake?—Mr. Seddon was in the House and awake at that time, because he came across and asked me if the statements were correct, and what the explanation was.

399. Did you then inform him you had ordered the correction to be made?—I did; and stated that the net expenditure had inadvertently been inserted instead of the gross.

400. *Dr. Newman.* I think you said just now it would be beyond your power to alter the letterpress?—Except for verbal mistakes. Of course, I would not make the Minister say anything different from what he decided to say.

401. Do you consider there is any difference between altering the letterpress and altering a series of figures?—Yes, a great difference. Of course, if the alteration of figures necessitated the alteration of the letterpress I would draw the Minister’s attention to it, and if necessary place on the table a corrected copy of the Statement. But when a figure supplied by myself is subsequently found to be incorrect, and does not necessitate an alteration of the letterpress, I deem it within my province to correct it, especially when, as in this case, it simply made this figure harmonize with all the other figures.

402. As a matter of fact, £111 at one part of the Statement is taken to credit, and in the other is not. Can you say why it is done in one part and not in the other?—Simply because one paragraph speaks of the gross expenditure, and we take credit in that for having expended all the money we did expend. The other speaks of the amount of money we drew out of the vote, and as we put £111 into the vote, manifestly the net amount drawn out should be shown £111 less than the total disbursements.

403. Do you remember any recovery from the Ohinemuri County during the previous year?—Yes.

404. Do you remember how you treated that? How did you treat the previous one?—As these tables are prepared by the Accountant I cannot say from my own knowledge, but I have no doubt it was treated in the same way. But if you look at the table it will show.

405. When you talk of correcting a slight mistake, Mr. Blow, do you consider £95,000 odd a slight mistake?—I should consider it a very important matter indeed if it were not that the altera-

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.

Hon. Mr. Seddon : The last few years.

433. *Mr. Wright*.] In the "Conclusion" paragraph you give figures showing the loan expenditure during several years, and they run down to a constantly-diminishing quantity?—In the copy of the Statement as laid on the table of the House that is so. In the copy published in the Appendices the amount for 1891–92 is larger than for 1890–91.

434. The correct figures, £391,000 instead of £295,000, would not bear out the construction placed upon this paragraph?—I do not at all agree—I think I did the Minister an injustice in not giving him the correct figures to start with, because he could have made the paragraph very much stronger than he did if he had had the correct figures. The self-reliance of the Government and the heroism of the colonists is surely very much more displayed if the expenditure, without borrowing, is greater than if it is less.

Mr. G. Hutchison : This opinion may be valuable, but you were not asked for it.

Hon. Mr. Seddon : It is the opinion of an expert.

Mr. G. Hutchison : That may be, but it is an opinion given in zeal.

The Chairman : Is it a proper thing for a member of the Committee to comment upon his conduct?

Mr. G. Hutchison : The order of reference sends us Mr. Blow's correspondence as a basis of inquiry, consequently his conduct is necessarily before this Committee.

The Chairman : No doubt that is perfectly right, but is it a proper thing for a member of Committee to comment upon his conduct here?

Mr. G. Hutchison : I claim to do that when I consider he is volunteering an opinion.

Hon. Mr. Seddon : It is my duty as a Minister to protect our officers. Are members to express opinions that will go to the country—for we have a reporter here—that a witness is showing zeal, as though he were endeavouring in his answers to screen a Minister, or colour matters? As the question was put, an opinion was asked for, and the officer had a right to fearlessly express his opinion. If he was wrong, the question should have been stopped. It was simply in answer to the question that the officer gave his opinion, and, having given it, it is scarcely in keeping that such expressions of opinion should be offered by members. I hope they will not be, otherwise officers will be browbeaten. If our officers hear that this is to be allowed, we shall put them in a position I should not like to see them in. I hope, therefore, there will be a refraining from such expressions.

The Chairman : I consider it my duty to protect a witness within certain lines, and in performance of that duty I rule it an improper thing to say this witness is manifesting undue zeal.

Mr. G. Hutchison : I did not say "undue" at all. I say that it is zeal that he shows, and I shall claim the right of commenting where it is called for.

435. *Mr. Wright*.] The insertion of the correct figures in this concluding paragraph of £391,612 would have shown an increase over the expenditure of the preceding year?—Yes; I have already stated that.

436. That being so, would it have been correct to say that there was an enormous diminution in loan expenditure?—Yes, I think so, clearly, because the Minister showed figures extending over several years, which show a diminution of 50 per cent.

437. Yes, if the object was to draw a comparison over several years. But the diminution would have been greater, evidently, if you had gone back to a much longer period?—Doubtless; but the Minister's apparent object was to draw attention to the self-reliant policy of his Government as compared with the policy of his predecessors. It therefore would have been useless to have carried the comparison back a great number of years.

438. And he succeeded in doing that by substituting the figures £295,978 instead of the correct figures?—Not at all. I think the Minister's argument is very much weakened by the unfortunate substitution of these figures.

439. You have stated it is usual to make numerous alterations in the Public Works Statements after they have been submitted to the House?—I do not think I said that exactly.

440. Yes, I took that down yesterday, and it is confirmed by Sir John Hall's question.

Hon. Mr. Seddon : Sir John Hall's question does not tally with that.

Hon. Sir J. Hall : What I have down is this : "There are other instances."

Hon. Mr. Seddon : You have "numerous," Mr. Wright.

Mr. Blow : That would be distinctly wrong.

441. *Mr. Wright*.] "Numerous alterations," I have. Do you still put it as numerous?—No; not numerous.

442. *Mr. G. Hutchison*.] I think he did say it, but qualified it afterwards?—Possibly I may have used the word "numerous" in referring to all the Public Works Statements collectively, but not, I think, of numerous alterations having been made in any one Statement. Taking them all in all, numerous alterations have been made. But I do not think I used the word "numerous" at all.

443. *The Chairman*.] Do you see the figures in the last column there—1891–92?—Yes.

444. Were those figures handed in by the Accountant to the Minister or to you?—They were certainly handed to myself. I got them from our Accountant and showed them to the Minister.

445. *Hon. Sir J. Hall*.] And upon that he wrote his Statement?—Yes, it is £295,978—the old figure.

WEDNESDAY, 16TH AUGUST, 1893.

MR. SAMUEL COSTALL examined.

446. *The Chairman*.] What position do you occupy, Mr. Costall?—I am Government Printer.

447. What position did you occupy twelve months ago?—Chief Clerk and Accountant.

448. Are you aware there was an alteration made in the Public Works Statement after it had been laid on the table of the House?—I am.

449. Will you inform the Committee what you know of that alteration?—I have with me three sheets. The first is the sheet as finally passed for press by Mr. Blow.

450. Of the Public Works Statement?—Yes, bearing his authority—his signature, and date. [Sheet 1, Exhibit No. 4, handed in.]

451. You use the word “finally”?—I do.

452. *Mr. G. Hutchison.*] What is the date?—The 27th September, 1892.

453. *The Chairman.*] That is the corrected copy?—What I mean by the final copy is this: The Committee will understand all documents of this nature are for some considerable time previously in preparation, and there are numerous revises. When these are done with, and the whole is ready for press, there is a final passing, with authority to print. That sheet bears the authority from Mr. Blow for going to press, and contains, as you will see, the figures as originally printed.

454. Do you know by whose instructions the figures were altered?—I produce the duplicate of the same sheet, containing the same pages on which the alteration is made, said to be by Mr. Blow. The alteration is neither signed, initialled, nor dated. I recognise it by the figures, which I know to be those of Mr. Blow. The figures are in his handwriting. They are pages 9 to 16, and the alteration is on page 14. This sheet bears the signature of the chief machinist, and is dated the following day, 28th September, 1892. [Exhibit No. 5 produced.]

455. *Hon. Mr. Seddon.*] What is the figure, Mr. Costall, in the one that was first passed, in page 14, as the expenditure for 1891–92?—£295,978.

456. And that is altered to what?—To £391,501 on the second document.

457. And these figures are in Mr. Blow's handwriting?—They are. The third sheet is the copy filed by the chief machinist of the same pages. It bears on it the full number printed, “1850.” [Exhibit No. 6 produced.]

458. *Mr. Guinness.*] With the corrected figures?—No. I may tell the Committee there is nothing to show how many copies were printed with the original figures and how many were printed with the altered figures.

459. *Mr. Wright.*] It is the total number?—The total number was 1,850. I may add this is an irregularity; unfortunately, the practice of noting things without either signature or dates has been a very prevalent one in the printing-office, and one I have had, in my former capacity, to constantly fight about. It is one I am now insisting upon shall be done uniformly throughout the whole establishment. But I can tell the Committee that I think certainly that 300 copies, what is technically called the “short number,” was done. Every document which comprises many pages, like the Financial Statement, the estimates, or the Public Works Statement, where there are many forms to be sent to the machines, have the short number for both Houses done first. The remaining copies—what is called the longer number—are done immediately after, at convenience. The short number is invariably 300. So 300 copies were struck off first, and the remaining 1,550 containing the altered figures afterwards.

460. *Dr. Newman.*] There were some other alterations made in the later tables, Mr. Costall: Can you tell us who first told you to make those alterations?—No, I cannot inform the Committee.

461. You know how these you have told us about were altered?

Hon. Mr. Seddon: He only knows by the documents.

462. *Dr. Newman.*] You do not know who made the alterations in the tables later on?—No, I do not.

463. You say the alteration was made the day after the Statement was printed?—The first sheet printed bears date 27th September, 1892; the sheet with the altered figures upon it, by Mr. Blow, 28th September, 1892; the full number filed bears the date, 29th September, 1892.

464. Could anybody in the office tell us who made the alteration in the table later on—Table C and D?—I think it quite possible that the Superintending Overseer may have some recollection of the matter.

465. *Hon. Sir J. Hall.*] That is Mr. Burns?—Yes. Had I known of any alterations in the tables I could have brought up the sheets and the Committee could have seen them. I can get them.

466. *Mr. Wright.*] The date, 29th September, marked on the third of these sheets does not indicate at what time the larger number, or 1,550, with the corrections, were printed?—It simply indicates that 1,850 copies have been printed.

476. That 1,850 had been printed?—Yes, that is all it indicates.

477. Can you say why the corrected copies were not distributed to members of the House as soon as printed?—Because no orders were given for such distribution; that is the simple explanation.

479. They are retained at the printing-office until the orders are given?—Yes; there is a certain fixed distribution; all beyond that would be retained for any further orders.

480. And no such orders were given?—No such orders were given.

481. *Hon. Mr. Seddon.*] Are you sure of that?—Yes; I am quite sure that no order was given for the distribution to members of the corrected figures. I am quite clear about that, because it is a matter that would come under my own notice in respect to the publishing-room.

482. Will you be able to explain how it was members got the corrected ones?—No, I cannot, Mr. Seddon.

483. *Hon. Sir J. Hall.*] Did they get them?

Hon. Mr. Seddon: Yes.

Hon. Sir J. Hall: That is not in evidence.

484. *Mr. Guinness.*] Did you have anything to do with the distribution of these copies to the members, or did you not simply print a number and send them up to the Parliamentary Buildings?—There are standing orders with regard to the distribution to members of all parliamentary papers. In the ordinary course of business, these standing orders would be applied. Anything outside or beyond them would be a matter of special instruction.

485. That does not answer, quite, my question. I want to know whether the head of the printing-office, or the overseer in charge, has anything more to do than to send up to Parliamentary Buildings during session the required number of documents ordered to be printed, the distribution taking place by the officers of the House?—No; he has nothing more to do.

486. You have only to send up the number ordered?—Yes.

487. The distribution then would take place. You do not know in what way the officers of the House distributed them?—Oh, no; not in any case.

488. *Mr. G. Hutchison.*] The point is this: There was no requisition made for more than the short number for distribution. Is that it?—There was no requisition at all made in the case. The usual course was adopted.

489. The 300 appeared to exhaust the emergencies of the House?—And the Council.

490. The Bill Office is where the distribution goes on?—Yes.

491. The other larger number would be kept, I suppose, for the purpose of Appendices, and such like?—And the very large free issue which the Government makes, and which is about 600.

492. By the way: This document consists of two parts. Why do you not produce the first eight pages of the printed Statement?—Of course, I was not aware there was any matter in dispute in them.

493. Why did you not produce the whole of the printed Statement?—I only brought those sheets which I believed were matters in dispute, and about which the Committee only was interested. I would have brought the whole Statement had I known otherwise.

494. *Hon. Mr. Seddon.*] You have not received any instructions from the Government or any person not to do it?—Oh, certainly not; never.

495. *Mr. G. Hutchison.*] I think it would be as well if we had the whole, commencing on page 9 and bringing in page 15?—I will produce the files of the complete Statement.

496. *Hon. Mr. Seddon.*] You cannot say how many copies were sent up to the House of your own knowledge, except that it has been the usual custom to send 300?—I can give the Committee exact figures, and, if necessary, produce the receipts from the officers of the House.

497. Whether they were sent up at once, and how they were sent up?—Yes; I can do that.

498. Will you do so?—Yes.

499. Do the estimates come up generally with the Statement?—I have never known an instance in which they did not.

500. Would you be surprised to know a second set of estimates came up? Has it not often been the case, that the Statements having been exhausted, the office has been sent down to for further supplies?—I think there is never a session held in which that is not the case.

501. Would you say now without reference that in this case that did not occur?—I could not say it did not. I should certainly say in all probability it did, because I have never known an instance in which it did not occur.

502. *Hon. Sir J. Hall.*] If that is the case, Mr. Costall; if extra copies beyond the three hundred were sent up here, then some of the corrected copies must have come?—That would follow, Sir John; certainly it would.

503. Will you ascertain?—I will ascertain.

504. *Hon. Mr. Seddon.*] Ascertain with regard to the Statement and the estimates?—Yes: if it will not be beyond my position before the Committee now, I would like to add that it is not at all an uncommon thing, both in Public Works Statements and Financial Statements, for there to be an alteration of figures—I would like to say it because the Committee may be interested—after delivery. The invariable course is that after a Statement, say, has been delivered, and after the short number has, on that day, been printed, and the same evening issued to members of the House and Council, and before any further copies are printed, all the figures are most carefully gone over and compared by the officers of the Treasury. If any error has been made, a printer's or clerical error, in any of the tables, they are made to support the text of the Statement itself. These corrections are always made. But I may tell the Committee I have never known of a single instance—and I think I can say that I have known all in these matters that has taken place in the office—where the text itself has been altered. Sometimes it has happened that in a line of a table there has been a palpable error, and the figures would not agree with the total. Sometimes there has been a printer's error which did not make the table agree with the text itself. In all cases where such have been discovered the Treasury officers have invariably made the alteration.

505. What do you mean by the text?—The Statement itself.

506. As distinct from the tables?—As distinct from the tables which form an appendix to the Statement.

507. In this case the text itself was altered?—Oh, certainly, that would be the text itself.

508. *Hon. Sir J. Hall.*] Why do you volunteer that statement?—Because I surmised the Committee would wish to know as fully as possible what has been the practice in all these matters, both of the Printing Office as well as the department concerned.

509. *Mr. G. Hutchison.*] You used the term "officers of the Treasury," does that phrase limit the reference to any particular officials?—The Secretary of the Treasury.

510. That is Mr. Heywood?—Mr. Heywood.

511. Your remark is confined to changes made by the Secretary of the Treasury?—He, of course, would be responsible. The officers under him would necessarily make the changes.

512. No doubt he would be responsible?—He would be responsible for the change.

513. Have you ever known the Secretary for Public Works altering the Statement?—No, I have not.

514. *Hon. Mr. Seddon.*] Would you say it has not been done?—No; I could not say it has not been done. I cannot say it has been done.

515. Would you say the Under-Secretary for the Treasury has not altered the text? For instance, if he found in the first part of the text that correct figures were given, as in this case, and in the text in another place he found others, and the two did not agree?—Yes.

516. Would you say that in that case there was an alteration in the text, or that it was simply a correction to make the two agree?—I should say it was an alteration in the text.

517. For what purpose?—To make the text agree with itself, so that the two parts should be mutually consistent.

518. *Mr. Guinness.*] Would that come within the rule you have been stating that generally appertains to this business?—I can only reply I have never known such a case arise.

519. You will not say it has never occurred?—No, I cannot; but it has never come within my own knowledge.

The Committee then adjourned.

THURSDAY, 17TH AUGUST, 1893.

Mr. SAMUEL COSTALL further examined.

520. *The Chairman.*] You are to produce the slips, I think?—The remaining part of the file of the whole of the Statements, and the distribution to members particularly.

521. You now produce the whole of the remaining portions of the file of Statements you produced yesterday?—Yes. [Exhibit No. 7 produced.]

522. What do you say with regard to distribution?—Before I do that, if you will allow me, I would like to state, with regard to the alterations that I referred to yesterday, I think it is only right I should add this qualification—that while I have never known an instance of any alteration of statements of fact in the text, it has not been an uncommon thing to make verbal alterations, which in no way interfere with either statements of fact or the sense.

523. What do you mean by verbal alterations?—Sometimes a word or two in a sentence has been altered to improve the phraseology or avoid tautology. Such alterations as these have not been uncommon. On refreshing my memory since I gave evidence yesterday, I think I am correct in saying that there was once a material alteration made in a Financial Statement. That was by Sir Julius Vogel; but when the alteration was made the copies already printed were cancelled, and a re-issue of the corrected Statement made to members.

524. *Hon. Sir R. Stout.*] When was that?—I cannot remember the date, Sir Robert, and there is nothing whatever remaining of the records in the office that would either help me to refresh my memory or to give the actual date. But I think I am quite correct in saying what I have.

525. You have handed in the revise, have you?—No; that is the machinist's filed copies of what was printed.

526. This, however, is different from the copy laid on the table of the House. Are you aware of that?—No, I am not aware it is, Sir Robert.

527. Will you look at Table C, for example. The copy laid on the table of the House is called Table D; it is called there Table C. Then, in addition in the column 1891-92, there is a debit of £10,757 and a credit of £111. There is no such thing in C. That cannot be the correct copy you have got?—That is quite clear, though you see it is the file. I may add I have carefully made inquiries since I was here yesterday, as to what records are in the office of any alterations made, who authorised them, and what copies were printed, and I can discover nothing.

528. You do not know anything whatever about the alteration of Table C?—I do not.

529. And there is no record in the office about it?—There is no record that I can trace.

530. Is it usual, do you know, to alter tables once laid on the table of the House?—It is not.

531. Who would authorise the alteration; through what officer would it go?—The Under-Secretary of Public Works, who had charge of the document.

532. *Mr. Tanner.*] Mr. Blow?—Mr. Blow.

533. *Hon. Sir R. Stout.*] If he says he knows nothing about the alterations, you know nothing?—No, I cannot explain it. As a rule, as members may be aware—Sir John Hall will be aware—all the tables connected with the Financial Statement or Public Works Statement are prepared before the text is in type—a considerable time before. These are subjected both to revision and alteration, and are generally in their final, perfect state, and printed before the text itself.

534. *Mr. Wright.*] As to one material alteration made by Sir Julius Vogel, which you said was at once notified to members, you are not aware of any other material alteration?—I am not aware of any other.

535. *Hon. Sir J. Hall.*] Could you tell us what officer of yours could inform us from whom orders for the alteration of tables came? Those that were made in last year's documents?—The Superintending Overseer should know.

536. *Hon. Sir R. Stout.*] Who is that?—Mr. Burns. He would know of last years, but the late overseer who retired would be able to speak authoritatively of these matters.

537. Would Mr. Burns be a competent witness with regard to the alterations?—He should be.

538. Would the orders from the department go direct to him, or would they go through you?—Sometimes both, but as a rule they come to me.

539. *Mr. Wright.*] When you say "me," you mean the head of the department?—Yes; they would be addressed to the Government Printer.

540. *Hon. Sir J. Hall.*] As a matter of fact you do not know of any orders given for alteration?—I do not.

541. They would in this case have gone to Mr. Burns direct or they may have gone direct to Mr. Didsbury.

542. But in any case they would be passed on to Mr. Burns?—Certainly; they would be passed on to him. I was further asked yesterday with regard to the distribution to members. The

Hon. the Premier asked me how came it to pass members were in possession of the corrected copy. I have had a statement prepared which will quite explain the matter [Exhibit No. 8 produced], and will account for the whole of the distribution of the short number, 300, and how members came into possession of corrected copies. The explanation is very simple. After the first issue—the ordinary issue—is made, requisition is made upon the Printing Office for additional copies. They were supplied to members in that manner. But no instructions were given to make a complete issue of the corrected copy, so that these copies containing the corrected figures were simply issued in an incidental manner on further copies being asked for by the officers of the House.

543. *Hon. Sir R. Stout.*] That is, there was no order to cancel the previously-issued copies?—There was no order of cancellation. Shall I leave this statement of the issues with the officer's receipts attached?

The Chairman: If you please.

Hon. Sir R. Stout: Apparently there were delivered to the House, 45 copies; to the Library, 2; Miscellaneous, 28; Mr. Blow, 12. Altogether there were delivered 295 of the first issue and 300 of the second. Of the second issue 75 went to Mr. Revell, Mr. Blow had 163, the Railway Commissioners 100, O'Rorke for the House 25, Blow another 25, O'Rorke 12: 37 only went to the House.

544. *Mr. Wright.*] When was that?—On the 6th October.

JAMES BURNS examined.

545. *The Chairman.*] What position do you occupy in the printing office?—I am Superintending Overseer of the Government Printing Office.

546. Do you remember an alteration in the Public Works Statement of last year made after it was laid on the table of the House?—Yes, I remember Mr. Blow coming in. I think it was the second day after the Statement was presented to the House. The Statement was presented on Tuesday, and I believe it was on the Thursday that the alteration was made—the Thursday morning. I am speaking from memory. The tables—the bulk of them—were printed, run off, the day following the delivery of the Statement; that would be the 28th. But I find from the Press files that the text of the Statement itself was printed on the following day, the 29th. So I take it from that I am correct in stating that the alteration was made in the text of the Statement on the second day after delivery.

547. Did you get instructions to alter?—Well, as a matter of fact, there are no particular instructions. We take whatever is given by the officers in charge; we do not question anything. Mr. Blow was the officer in charge of this; to all intents and purposes, he was like the author of it.

548. And it was Mr. Blow?—Yes, Mr. Blow. He was in frequently the three days—Monday, Tuesday, and Wednesday.

549. *Hon. Sir J. Hall.*] Did he come personally?—Personally.

550. Did Mr. Blow give any written instructions?—No, Sir. He just brought in the copy in his hand, with the alterations that he wished made.

551. *Mr. Saunders.*] The corrected copy?—Yes.

552. *Hon. Sir J. Hall.*] That is, of the text?—Yes.

553. With regard to the tables, were there alterations made in the tables, so far as you recollect?—I believe not, Sir. I believe there were no alterations made in the tables, so far as I remember. In fact, I think the bulk of them were printed. Some of them were entirely run off on the evening of the delivery.

554. Some of them? Do I understand some of them were not run off?—Some of them were not, because in the hurry on the evening of the delivery of the Statement, there was not time to work the full number. Often the forme has to be lifted off a machine to allow another one to go on, and so to get the short number finished for the House.

555. Could any alterations have been made in the tables without your knowing it?—No; they would have to go through my hands. There can be no alteration made without my knowledge. Everything came directly into my hands from Mr. Blow or the officer of the department. Mr. Clapham, in the first instance, was frequently in, but his work was before Mr. Blow's, rather.

556. And are you quite certain no alterations were made in the tables after the document was laid on the table on the 27th September?—I would not like to be very positive, but my belief is, there was none.

557. *Hon. Sir R. Stout.*] If you look at that Table C; look at the one laid on the table of the House, and the other you will see there is £391,501 and £391,612, by £111 being put in. It is not correct?—It would appear to have been done, but I do not remember it.

558. Having seen these tables, are you now aware that some alterations were made?—Yes, it is quite evident it has been made. But there is this. I have no right to question any alteration Mr. Blow would make, he having charge of the work. It was not a matter I would take any interest in, further than doing as I was directed.

559. Is there anybody else in the department who could throw any light upon that question; the compositor who would make the alteration?—Well, Mr. Gamble is next to me; he is the overseer in the room.

560. *Hon. Sir R. Stout.*] These are his initials—C.G.?—C.Y. it will be—that is the machinist, Mr. Young—he has charge of the machine-room.

561. *Hon. Sir J. Hall.*] Who could tell us?—I question very much if any one could tell from memory. These things are up and down very frequently, and corrections are so continually made, that it is very difficult at a year's distance to say exactly how a certain thing was done.

562. Is it possible there may have been other alterations in the table besides what you now recollect?—Now that is brought to my notice, I cannot pretend to say.

563. I should like to ask, Mr. Burns, by the expression that "alterations are so continually made?"—For some days, and sometimes for some weeks, before Statements are delivered they are continually being altered back and fore.

564. To what alteration do you refer—to alterations in the setting of the type, or alterations to the manuscript?—Both. Shifting figures; cancelling figures already written in the Statement. For instance, altering figures in the tables, or even transposing the position of the tables—the numerical order of them.

565. *Hon. Sir R. Stout.*] He is speaking of ordinary things?—Of things that are being prepared for Ministers.

566. *Mr. Tanner.*] Will that account for a table being marked "C" in one list, and "D" in another?—That is possibly the fault of the reader in not getting the tables marked consecutively in the order of the alphabet. I would not say whether that belongs to the Printing Office, or whether the alteration was made by the department. It is quite possible we are at fault ourselves in that, because there is a great hurry-skurry at the last moment getting these things together. They are all in separate galleys, or frames, and they have to be got together and put in continuous page form; so it is possible we may have made the mistake.

567. *Mr. Guinness.*] How long have you been in the office?—About twenty-nine years.

568. You have had experience in setting up many Public Works Statements and Financial Statements?—Yes; from the beginning of the public-works policy and before.

569. Have you known alterations made by way of correction to the Statements—Financial or Public Works Statements?—Oh, yes.

570. After their delivery?—Yes.

571. Before the final print is sent out for circulation?—Yes, as a rule. We only print the issue necessary for circulation in the House on the evening of delivery, and we then await orders to proceed, because very often corrections are made—polishing up the Statement a bit, the same as a member would do his proof in *Hansard*, slight alterations of that kind. We never work the whole number off until we have authority that the thing is correct, because it is generally done in a hurry.

572. Look at this concluding paragraph here; there is an item of £295,978.—Yes.

573. In the same Statement you will find in one of the tables that these figures do not agree with the figures there. Do you notice that?—Yes, I do.

574. This is the first print?—Yes.

575. When you got your orders to complete the print, would you consider it an unusual thing to correct that figure so as to make it tally with the figure attached to it?—No, certainly not.

576. Has such a course of procedure been followed in the past?—I remember, many years ago, there was a Public Works Statement, I believe it was during the time of Sir Julius Vogel, and there was some mistake. I cannot tax my memory now whether it was with regard to the figures. Something was the matter, and we were ordered to cancel the issue first printed, and there was a fresh issue. As far as I remember, the words "Amended" or "Revised edition" were put on it.

577. *Hon. Sir R. Stout.*] There was a revise in 1885–86. It was a Financial Statement, and it was marked "revise." It was so, was it not?—Something of that, "Revised edition" or "Corrected edition."

578. But you say it has frequently been the practice, or do you not say it is a common practice to alter the Financial and Public Works Statements after the first print has been distributed amongst members the night of its delivery?—I say this, that we have to wait orders. But I must say that the bulk of the corrections that came under my notice have been polishing up the grammar or punctuation—improving the reading of the Statement.

579. But where in one Statement, as we have it here, the figures in a paragraph of the Statement do not tally with the figures on the tables attached to support that paragraph, that would not be an unusual correction to make—to make it tally?—I cannot say; I do not remember a case like that occurring. It might possibly have occurred without my taking notice of it, because we are so used to obeying orders and following instructions—we have really no time to read and see what the correction is, or the effect of it.

580. With regard to the tables, Sir Robert Stout pointed out one table marked C; and in the second edition of the table, so to speak, marked D, there is an alteration in some of the figures. Would you say that it is an unusual thing to make corrections of that sort?—No. I do not think it is. We have had alterations in figures in some of the tables but not very often.

Mr. G. J. CLAPHAM examined.

581. *The Chairman.*] What position do you occupy in the Public Works Department?—Accountant.

582. Are these the figures that you handed to Mr. Blow, the basis of the Public Works Statement?—These are not my figures, none of these.

583. Whose are they?—They are, I believe, the figures of one of the cadets in the office. The inference is, these figures were dictated by me. I have no distinct recollection of these figures, but as Accountant, I perhaps did give them.

584. They should have come under your notice?—They should.

585. *Mr. Wright.*] It is stated by Mr. Blow in his letter of the 26th July, when the Statement was being compiled—that is, the Public Works Statement: "I got a memorandum of the expenditure for the last seven years from our Accountant's office, which, owing to some unfortunate misapprehension, gave the net instead of the gross figures for 1891–92." Now, can you produce these figures?—These are the figures that were mentioned; they were intended to be the ones [marked Exhibit 3.]

586. Do you accept the responsibility for these figures?—Yes. I accept the responsibility, although, I may say, I have no distinct recollection of giving them. I give a great many figures in the course of the year, especially during Statement time, and I may have given these figures. I cannot say I did not.

587. The memorandum is without heading of any kind?—Yes, it is evidently a hurried memorandum.

588. There is nothing to show what they are intended to represent. The figures given in the last column—£295,978—what do they represent?—So far as my memory serves me, the figures are intended to represent the expenditure for the year, less receipts in aid during the year.

589. They do not represent the total of the public-works expenditure for that year?—Not the actual expenditure.

590. What do you mean by receipts in aid?—Amounts that have been received from certain sources in aid of the Public Works Fund—in aid of expenditure.

591. *Hon. Sir R. Stout.*] From what sources?—Recoveries and receipts; we will say, for instance, under Government Loans to Local Bodies Act. These are receipts in aid of certain services paid out of the Public Works Fund.

592. In fact, it is revenue?—It is shown in Table 1 of the Public Works Statement in detail.

Mr. Wright.] Then these figures would represent merely the public-works expenditure from loans: is that it?—From loans, yes. Of course, the other expenditure would represent the expenditure out of receipts in aid, so to speak.

593. From various other sources?—Yes.

594. From released sinking fund?—Not so.

595. Then this return of £295,978 was an incomplete return?—It was an incomplete return.

597. *Hon. Sir R. Stout.*] That is how the £95,000 was made up. It really means there was £95,000 of borrowed money to put against that?—Borrowed moneys mostly.

598. It does not show expenditure at all. "Receipts in aid" really means £95,000 and more of borrowed money?—Yes; as previously explained, the exact amount is £95,634 12s. 9d.

599. And that is deducted from the gross expenditure, and this has been put down as "net expenditure"?—Yes.

600. *Hon. Sir J. Hall.*] Did you, after the delivery of the Statement—the Public Works Statement—give any orders for the alteration in the tables attached to the Statement?—None that I remember.

601. Then, with regard to this memorandum of expenditure, can you recollect the exact date upon which it was supplied? It was supplied by you in accordance with Mr. Blow's request?—As the Accountant, I take the responsibility of the figures; but, as I have before stated, I have no distinct recollection of having given them at all.

602. Can you help the Committee to ascertain when the figures were supplied?—It would be almost immediately before the delivery of the Statement, I should say—possibly the day before.

603. But how could the Statement be made up unless from the very commencement. The Minister had not before him the statement of the expenditure of the year?—He would have other figures showing the expenditure; but if any paragraph required to be written as an afterthought, then the figures would be taken from any source available or handy at the time.

604. But if the Minister had not the figures of expenditure for the past year, how could he begin to make his Public Works Statement; and if he had the figures, why were you called in to supply them at the last moment?—The Minister would have figures. May I explain? The Table referred to as Table C is prepared for a particular purpose. There is no statement showing the expenditure year by year out of the Public Works Fund, that I am aware of, except that table. And in making a statement of expenditure year by year, you must deduct the recoveries on account of expenditure of previous years from some particular year. The late Under-Secretary for Public Works laid it down as a departmental rule that the recoveries mentioned should be deducted from the expenditure of the year during which the recovery was made.

605. Will you look at that statement or departmental monthly return. It is an old one of 1880. Is that return still kept up?—It is.

606. Would not that supply the Minister with the information?—No. It simply deals with expenditure that has been entered in the books of the department, no matter whether it has passed the Treasury or not, and it includes liabilities.

607. *Mr. Wright.*] This statement (Exhibit 3) bears no date, no signature, no heading. Is it usual for the Accountant's office to send out returns in this form?—Quite unusual, and that is why I say I have no recollection of giving these figures.

608. *Hon. Sir R. Stout.*] Have you any recollection of altering Table C in the Statement after it had been laid on the table?—No, I altered no table.

609. *Dr. Newman.*] We have it in evidence, Mr. Clapham, that this return was prepared on the 26th and 27th June of last year: Have you any recollection of its being prepared in your office within the last two months preceding September of last year?—I have before stated I have no recollection personally of preparing these figures myself.

610. Do you know whose figures they are?—I do not.

611. They are not your figures?—No.

612. Does any return go out of your office without your knowing it?

613. Should you know the handwriting if it was one of your leading clerks?—Yes, if it is one of my clerks.

614. In deducting the receipts-in-aid for the year, ought not all receipts to be deducted, or are there two classes of receipts? I take it there are two classes of receipts in Table C?—The recoveries that are deducted are on account of expenditure of previous years that were originally issued out of the Public Works Fund, and are brought back to the credit of it.

615. They are part of the expenditure for the year?—They are part of the expenditure of that year; they are recoveries on account of expenditure of a previous year. They must be credited in some particular year, and this table is kept up to show the expenditure year by year.

616. Before the Public Works Statement is written, is it not usual to supply all the tables of figures from the Accountant's office?—Not usual; no not all of them.

617. Who supplies the figures, then?—Sometimes the figures are supplied both from the Accountant's office and Under-Secretary's office, and they are supposed to be checked finally by me.

618. Did you happen to read this Public Works Statement directly it was delivered?—No, I did not.

619. Did you see it before it was delivered?—I saw it, but I did not read it.

620. Were you aware alterations were made in the figures after it was laid on the table? When did you first hear of it?—I have some recollection of an alteration having been made in the Statement, but I was not aware what it was; not definitely.

621. It did not come before you?—It did not come before me. I heard of it.

622. *Mr. Wright.*] In reference to this exhibit (No. 3) your statement is that the figures are not your figures?—They are not.

623. They are not the figures of your Chief Clerk?—I think not.

624. Look at them?—No, they are not.

625. Can you identify the figures? Can you say whose they are?—Yes; I believe they are the figures of one of the cadets in the office, but I would not be sure of it.

626. Do you mean in your office?—No, not in my office.

627. They are not in the handwriting of any one under you?—They are not.

628. *Mr. Tanner.*] Do you put in the table?—No, I do not.

629. *Mr. Wright.*] Will you be kind enough to look at this statement? It is a statement B.-2, page 7, attached to the Financial Statement. In the third column what do you find?—Net expenditure.

630. "Net expenditure from the Public Works Fund." Following that down to the foot, what do you find?—£391,612.

631. And that is?—The total net expenditure.

632. For the Public Works Fund for the year. Then that amount is completely at variance with the sum of £295,978 which appears in the concluding paragraph of the Public Works Statement?—Those figures are acknowledged to be wrong.

633. Is not this statement from the Secretary to the Treasury, figures from which you have just quoted, available to the Minister when he is preparing his Public Works Statement?—I am not aware that they are.

634. But, looking at the date on which you see this is signed by the Secretary to the Treasury, "29th April, 1892," would that not be available?—I presume it would.

635. When the Public Works Minister is preparing his Public Works Statement he could have it if he wished to secure it?—I have no doubt it would be available.

636. The figures that have been made use of, £295,978, appearing upon that informal memorandum, "Exhibit 3," are completely at variance with the figures certified by the Secretary to the Treasury?—True. May I explain? The statement from which you are quoting, made up by the Treasury, represents expenditure out of appropriations by Parliament. A department preparing figures has something more to show than that. They have to show the expenditure on certain works; and not only the amount expended, but also the amount that is left for further expenditure. Our tables are got up for a particular purpose. I could show the Treasury figures in apparent disagreement by £100,000 in three years from these public tables.

637. *Mr. Wright.*] Yes; but you do not pretend to say what you call "Recoveries," amounting to £95,634 for the year ending 31st March, 1891, are not public-works expenditure?—If you wish to arrive at the net issues from the Public Works Fund.

638. No, not the net issues. We are not talking about net issues, but absolute expenditure—money gone?—As I explained, it has been usual to show the net issues from the Public Works Fund, so as to know what money they have left.

639. When you speak of the net issues from the Public Works Fund you refer to the Public Works (Loan) Fund, I presume?—Yes.

640. The net of the Public Works Fund?—There is only one fund.

641. But these moneys are expended by the Public Works Department?—These items are not expenditure; these are receipts.

642. *Dr. Newman.*] Mr. Clapham, who prepares Table C?—I do.

643. When it went out of your hand last year, did you afterwards correct it?—Not that I am aware of.

644. In that table do you see there is £10,000 and £27,000, and then there has been interpolated in the revised edition £111?—That is true; but I believe the alteration was made, to the best of my knowledge, before the final revise.

645. This was laid in one pigeon-hole with £111 as an amount of expenditure, and the total £391,612. In the new edition it is £391,501. Who is responsible for the alteration?—I cannot explain that. I do not understand how that is arrived at. I would have said that the alteration had been made before this was laid on the table of the House.

646. No; when this was laid on the table it had not. The alteration was not made in your office?—I have no recollection of making an alteration apart from the Statement laid on the table.

647. You did not interpolate £111 after the first edition?—Not that I am aware of—I have no recollection.

648. *Mr. Wright.*] If you will look at this page 26, of D.-6, you will see, under the heading of "Recoveries," "On account of advances, Ohinemuri County, £111;" and another item of £843 2s. If it was correct to deduct £111 from the total, why not the £843?—For the reason I have explained just now, that recoveries on account of expenditure of previous years out of the Public Works Fund are taken as credits. The £843 was not originally an issue out of the Public Works Fund.

649. *Dr. Newman.*] The tables of the Public Works Statement, such as this one on page 2, and one or two others, are they supplied by yourself, as Accountant, or are they supplied by the Under-Secretary, to the Minister?—I supply everything, as a rule, to the Under-Secretary.

650. The figures, such as those in part 3?—As a rule they are filled in by me. The Committee then adjourned.

FRIDAY, 18TH AUGUST, 1893.

Mr. SAMUEL COSTALL recalled.

651. *The Chairman.*] I have received a letter from you in which you state you wished to add something to your evidence. Will you make the statement you wish?—I was so startled by the production of the altered table by Sir Robert Stout yesterday, especially after making careful inquiries before I came to the Committee, that I made further research after my return to the office. I discovered what I now produce to the Committee. The copy of the Statement that was finally passed and ordered to be printed; there are two sheets, one of each. [Exhibits Nos. 9, 10, and 11 produced.]

652. What Statement do you refer to—this Public Works Statement?—Yes, Sir John. One of those, Table B, bears “Passed, G. J. Clapham, 27th September, 1892.” I find also, which I produce, the same table altered to Table C, with additional figures and altered totals. That bears this notation, “Two alterations, passed for press, G.J.C.”; no date. The chief machinist has dated it as being machined on the 29th.

653. Whose initials will “G.J.C.” be; Mr Clapham’s?—Yes. That is all I wish to say to the Committee. As the matter was left yesterday it would appear by my evidence as though it were possible for alterations to be made in State documents and reprints issued without the Printing Office having either knowledge or record of the fact. I felt that was unsatisfactory.

654. Do you know whose initials these are?—I do.

655. Whose?—The initials “G.J.C.” are Mr. Clapham’s, the Accountant of the Public Works Office. The initials “C.Y.” are those of the chief machinist of the Printing Office.

656. *Mr. Guinness.*] Charles Young?—Yes.

657. *Hon. Sir R. Stout.*] There is something missing here yet, Mr. Costall. The alterations made in this second one are two.

Mr. Guinness: From £391,612 to £391,501. There is no trace of these alterations.

658. *Hon. Sir R. Stout.*] You have produced now a table that has two alterations in it; but this table had practically four alterations from the Table D. You have not the other that came in between?—I have not.

659. So that it appears this Table C has been twice altered, and the last alteration you produce; but the intermediate alteration you do not produce?—I can account for that, or, rather, give the Committee the probable solution, though I do not give it as a certain explanation.

660. That is mere surmise?—A surmise, but you will see how very feasible it is. A sheet of Table D, as originally printed, might have the insertion of these figures, and the totals altered, and the revise submitted to the officer. He would return the clean revise, but he would retain the altered sheet with the marks upon it. You will see how possible it is for such to take place, and it not to remain in the office.

661. It would account for the absence?—Yes.

661A. It is not at all unusual to alter these tables?—No, it is not unusual at all.

662. Suppose evidence had been tendered here, as far as the text is concerned, where an error has been discovered in a figure, that the head of a department has, prior to issuing the larger number, made these corrections—would you say that evidence was incorrect?—That it had been done?

663. Yes?—No, I would not. I would not say such a thing had never been done. I would only say I am not aware of it.

664. *Mr. Wright.*] Except in one instance?—Except in one instance I named yesterday.

Hon. Sir R. Stout: The one marked “revise.” I think there was another.

665. *Dr. Newman.*] In the first edition of the Public Works Statement distributed the figures were £291,000, and in the *Hansard* it is £390,000. Who altered *Hansard*?—I can only surmise the alteration would be made by the Minister himself.

666. *The Chairman.*] You do not know?—No. I cannot say without I investigated.

Hon. Sir R. Stout: It must have been altered, because the *Hansard* only got an unrevised copy.

667. Will you endeavour to let the Committee have it?—I will endeavour to do it. It would be submitted to the maker of the speech exactly the same as any other, and if any alterations were made they would be made in the usual course.

668. *Hon. Mr. Seddon.*] I suppose the *Hansard* proof may be a week after the Statement was delivered?—Oh, quite.

669. *Dr. Newman.*] Then the only person who had the right to alter it would be the maker of the Public Works Statement?—That is all; no one else.

The Committee then adjourned.

TUESDAY, 22ND AUGUST, 1893.

Hon. R. J. SEDDON examined.

670. *The Chairman.*] I suppose you are aware of the charges which have been made against you by Mr. Rolleston? He says you made a "silent, secret, and surreptitious" alteration of the public records?—In answer to the charge made, which has been referred to the Committee, and which appears in *Hansard* No. 11, pages 156 and 157, and which accusation was made by the member for Halswell, the Hon. Mr. Rolleston, I say it is entirely unfounded in fact; that I neither "silently, secretly," nor "surreptitiously," or in any other way, made any alteration or correction in either the Statement which was laid on the table of the House, or the corrected Statement which was issued from the Printing Department, and which appears in the Appendices and Journals of the House, or the tables attached. As to the graver charge made—that of falsification of public records of the House—that is a specific charge, together with the other, and has been shown by the records of the House themselves to be not borne out, the records proving themselves to have never been altered or corrected, but is as laid by me on the table on the evening on which I delivered the Statement. In making the charge the leader of the Opposition did, there can be no doubt whatever that, at the time he made it, he was under the impression—he must have been under the impression—that the Statement which was laid upon the table of the House had been altered.

671. *Sir John Hall:* He must have been?—Yes; when he made that charge he must have been under the impression that the Statement laid on the table of the House had been altered, for on looking at page 156 of *Hansard*, this year, second column, members will find these words: "He"—that is myself—"has altered these figures, and let go broadcast to the public a statement which is entirely incorrect on the face of it." Now, when the charge was interpreted by that passage in his speech, it made it appear as though the public works expenditure had been put less than it actually was; that I had altered the figures to a lesser amount for the purpose of giving colour to what appeared in the Statement, and of supporting what appeared in the Statement, that public works expenditure had been less during the last few years. That, I say, was the charge made against me: that I purposely, and for the purpose of making it appear the public works expenditure had been less during the last few years, had put in a lesser amount. The Hon. Mr. Rolleston says: "He has altered these figures, and let go broadcast to the public a statement which is entirely incorrect on the face of it." That is, the Statement laid on the table of the House.

672. *Hon. Sir J. Hall.*] Do you mean by "Statement," the actual copy laid on the table of the House?—Yes.

673. The identical copy?—The identical copy. I may say the same statement has been made by another member of the House, that I had reduced the amount for the purpose of giving an incorrect statement to the public, by making the expenditure of public works less than what it actually was. Reference to the document itself, as I have said, will show it has never been interfered with, and that it is the Statement as laid on the table of the House. And, in reference to that, I desire to place before the Committee the fact that it is not a record such as is understood in reference to other records, returns, or papers ordered by the House. It is a Statement, which, for convenience' sake, and to save time, a Minister asks the House to take as his Statement instead of delivering it orally. In this way and with this object it is laid on the table. It is a new departure which has come into existence for the purpose of saving time; it is not a return or paper ordered by the House to be laid upon the table. It would take a couple of hours to deliver it, and, as I say, to save time the Minister lays it upon the table.

674. *Hon. Sir J. Hall.*] By leave?—By leave.

675. There is an order?—Of course; nothing can be laid on the table without it. But I wish to bring forward this: Suppose I had taken the course always followed previous to our coming into office, and have read my Public Works Statement, then it would have been in my possession and would have been as other Statements. There is positive proof of that. Then it would have been given to the public in the way this has been done. This Statement has been treated the same as other Statements of a similar nature, but which have been read to the House instead of being laid on the table of the House by leave—that is, that the departmental officers on discovering, as was discovered here, in Statements which had been read by Ministers, that there was an error, have corrected it. To prove this has been the case, I may say I was not aware myself there had been any correction, until the debate upon the Statement about a week after I had laid it on the table of the House.

676. *Hon. Sir J. Hall.*] That is, on the 5th October?—The 5th October. I did not then make any opening remarks, but simply moved that the House go into Committee of Supply. Upon this, the Hon. Mr. Mitchelson, an ex-Minister for Public Works, delivered a speech, in the course of which he alluded to the fact that, as compared with the Financial Statement, the public works expenditure, as stated in the concluding paragraph of the Statement itself, showed a discrepancy. On his making this statement I left my seat, and went to the Under-Secretary, Mr. Blow. I asked him if that was correct. I may say I turned up the Public Works Statement and looked at the first paragraph, where is to be seen the £491,000 odd expenditure, and the foot-note of £100,000, and at once the discrepancy was apparent. The Under-Secretary informed me that the amount placed in the Statement laid on the table of the House was the net, and that the gross amount was that stated by Mr. Mitchelson, £391,000—I give the round figures. I immediately said, "This must be corrected;" to which he replied, "I have already corrected it. Only a few

copies have been circulated with the incorrect figures." I said, "When did you do that?" He said, "I discovered it the same night you laid the Statement on the table of the House, and I corrected it early the next morning, and stopped the issue of all except the corrected copies." The Hon. Mr. Richardson, also, in his speech the same evening, referred to this. After the information given by the Under-Secretary, I did not challenge the statement made by either Mr. Mitchelson or Mr. Richardson; and, seeing that the corrections had been made immediately it was discovered by the Under-Secretary, and having his assurance that only a very few copies had been circulated, nothing further was done. I had made a note of it; and it was my intention, had I spoken in reply, to have informed the Hon. Mr. Richardson and the Hon. Mr. Mitchelson that they were correct. At the same time, I would have pointed out that in the Appendix and in the tables, and in the Financial Statement, and on the first page of the Statement itself, the correct figures were given. I may say that the first part of the Public Works Statement, and the concluding part, in the references, there made, were based upon the figures given to me in the construction of the Statement itself. Ex-Ministers here will know that the course followed is simply for the figures—the tables—to be supplied by the department. I asked Mr. Blow to give me the figures showing the comparative expenditure for the previous years. He did so. On these figures, of course, I built a structure in keeping, dictating the paragraph or paragraphs to a shorthand reporter. The original paragraph has been produced, and is now in the possession of the Committee.

677. *Hon. Sir J. Hall.*] The original paragraph? You do not mean the original memorandum of the figures?—Yes; that is there too, the one supplied by Mr. Clapham.

678. *Mr. Wright.*] Not the original draft of No. 3 paragraph. That has not been furnished to the Committee?—That was not furnished. But this paragraph in which the correction was made—the original of that is in the possession of the Committee. It was not, I say, altered with any view whatever of misleading, or of making the expenditure appear less than it actually was. The figures were given to me, I feel satisfied, in good faith; in good faith the paragraph was dictated and written, and also the other paragraph referring to the expenditure for the past years. Now I will speak of an accident, one for which, I suppose, one could scarcely be held responsible. There was a very long debate; it was after 4 o'clock in the morning, I think, before it concluded. At that time of the session, I need scarcely tell members of the Committee, I was up almost night and day. I fell asleep towards the latter part, or, at least some portion of the debate. I must not have felt over anxious. But, at all events, I was asleep when the motion was put to leave the chair. Some of the members, it seems, somewhat enjoyed the situation, and none of them informed me that the debate had closed, or that the motion was being put. A catch vote was taken, no doubt, in putting the motion, and I was not afforded an opportunity of replying. When I was awakened, a general laugh greeted my getting up and commencing "Mr. Speaker." I was told that the motion had been carried, and that we were in Committee of Supply. I expressed regret, because I desired, as I have said, to notify a correction.

679. *Hon. Sir J. Hall.*] Then and there?—Yes, then and there. That is what I expressed my regret about. I have looked at the *Hansard* but it is not there. Some of the members, I think, however, will remember.

680. Is that recorded?—No, it is not recorded. I got up and said I was sorry, as I had some statement of importance to make; but, of course, the Speaker had left the chair.

681. You said you had something of importance? Did you mention you wished to correct this?—I said I wanted to make an important statement. But the Speaker had left the chair, and the Chairman of Committee was going into it. There would not have been any record. It was done between the time. I was asked, I may say, by several members, and I admitted, I think, to Mr. Mitchelson, that he was right. And it appeared the next day in the morning papers, and I think it was sent right through the colonies by the Press. There was no endeavour on my part to keep it back; quite the reverse, because of 1,800 Statements published, less than 300 would correspond with the Statement laid on the table of the House. Over 1,500 of the copies were therefore correct. Reference has been made, of course, to my being asleep. I do not suppose any attempt will be made to dispute that. I was not only twitted then, but have been considerably twitted since upon it. Then, again, I claim that, in a Statement such as this, laid on the table as a matter of convenience, the right to correct is the same as though it had been orally delivered; in which case it would be the same as correcting one's own speeches, in which, as we find, occasional discrepancies may occur. I claim, I say, the same right in reference to that speech as I would if it were orally delivered—the same right claimed by my predecessors in reference to other Statements, made according to the original rule orally. Otherwise it means we must revert back to the original course, and not lay the speech upon the table at all, but read it out. This brings me to the question of the speech in *Hansard*. It is corrected there. I made no correction in *Hansard* myself. In fact, I do not suppose, in an ordinary way, on the question of a Statement appearing in *Hansard*, I would ever be seen or consulted about it. It is a matter that would be left entirely to the secretaries, who would simply take the Public Works Statement and give it to the printer, who would put it in *Hansard*. This leads me to the point that the Public Works Statement in *Hansard* is practically the speech of the Minister. It is the speech delivered by the Minister, or else it has no right there at all. If it is not treated according to the original course, then I say it has no right there, because it was not read to the House, and there was no motion made that it should go into *Hansard*. As I have said, only as a matter of convenience, and to save time, has it been treated in the way it has, of being laid on the table. Therefore, I say, it should be treated as a Statement under the old rule, when it was read. Had I but read it to the House, and it was then found there was any inconsistency between any of the paragraphs and the tables, it would have been corrected, and no notice—not the slightest—taken of it. It would have gone right through without being noticed. Had it not been, I may add, that it was mentioned at an earlier period of the session, in another way, that I had first of all had the corrected figures given to me, and that I then altered them to a lesser amount, so as to make it read there had been a reduced expenditure, I should perhaps not have felt

so keenly. The document, however, has been produced, and it was seen there had been no alteration. Inquiries were made—I know they were—as to whether there had not been a first Statement showing the larger amount. Inquiries were made to find if it was not the case, and then the accusation was changed to altering the one that appeared in the Appendix.

682. *Hon. Sir J. Hall.*] You do not charge Mr. Rolleston with that prior statement of which you speak?—Yes.

683. Do you charge him with saying that the correct figures had been given to you, and that you had altered them to the incorrect figures? Do you say Mr. Rolleston did that?—Yes; I say this paragraph—

684. Do you mean that in the first instance the correct expenditure had been supplied to you, and that you had altered them to the incorrect figures?—Yes, that was the first charge made.

685. You say that Mr. Rolleston said that?—That is the interpretation I put upon these words.

686. You say that earlier in the session that charge had been made?—Oh, not by Mr. Rolleston; not then. But it is the interpretation I put upon his words. This had been said in the House; and I construed, and I think properly so, Mr. Rolleston's remarks to be based upon it; because he says: "He"—meaning me—"has altered these figures and let go broadcast to the public a Statement which is entirely incorrect on the face of it." Then he says, "And I will say that there was a worse thing than actual misrepresentation, and that is the falsification of the public records of this House." Taking these two sentences together, there could be only one construction. It having been mentioned in the House that way before: that the correct figures had been given to me, that I had then altered them, making them of lesser amount, and then had put them back to the correct amount in the Appendices, to my mind there was only one interpretation. Had it only been mentioned as simply a question between the Statement laid on the table and the figures appearing in the Appendix I should not have felt so much hurt. But it was the assertion, made both inside and outside the House, that the corrected figures were given, and, for the purpose of making it appear that the public expenditure had been less than it was, I had altered the first and correct amount. Under the circumstances, seeing I had not interfered "silently, secretly, and surreptitiously," or in any way altered the figures, or allowed to "go broadcast to the public any incorrect Statement," what was I to infer? What had gone broadcast to the public has been the correct amount. I know that the corrected ones came up to the House because I have seen members with them. They came to me and showed me the two Statements, the corrected one and the other, and asked me about them. I wish emphatically to contradict what was said by Mr. Rolleston. After making the charge, in his evidence, he followed it up by saying that not only had this "silent, secret, and surreptitious" alteration been made, but that I had been a party to allowing the public to be misled until now, when the thing had been brought out. I contend the matter was brought out, and the public were informed of it, last session, both through the Press and through the records of the House. That is shown by the speeches delivered by the Hon. Mr. Mitchelson and the Hon. Mr. Richardson, and by the newspapers giving the reports. These were produced. Seeing that the tables of the Financial Statement which was delivered first, and which also were commented upon, had given the correct figures, the charges levelled against me are altogether unjustifiable. And they were such that it was impossible for any person in my position to permit himself to lie under the imputation. As regards the paragraph appearing in *Hansard*: there was a little chaff going on on the Appropriation Bill. Mr. Rolleston stated that I still insisted that the Statement was correct. I did nothing of the kind, as the *Hansard* to which I have referred will show. At page 897, I said: "It was perfection in itself." No construction such as that Mr. Rolleston attempted to put upon those words can be rightly placed upon them. That statement I still maintain was correct; the words were used clearly in answer to what had just been said as to the Statement being brought down too late. To that I simply replied that it was "perfection itself." On that same paragraph you will see I say: "I did not find it necessary to answer the speeches. Well, of course, being asleep, I could not find it necessary. But Mr. Buchanan interposed and said "The honourable gentleman was sound asleep." I may add that I have made inquiries, and I find that the custom has been invariably—I may say absolutely—in the case of Financial or other Statements delivered by Ministers, the rule is for the officers of departments, sometimes at the last moment, to make changes. The member for Ellesmere, I think, will bear me out that such changes are made almost at the last moment and one given to the Minister, wet from the printer—with the ink scarcely dry. Under these circumstances, if it were to be held that correction was not to be made, then we should have, and would have had in years gone by, very many incorrect statements sent forth to the world. Now, as to the question of appendices. I can tell the Committee if they turn over the Appendices for preceding years, and compare them with *Hansard*, they will find they do not correspond. Take the A to L Petitions Committee. By the Appendices the names of members on that Committee are given in one form. Taking that to be correct, we nominated the same gentlemen at the commencement of this session, to find two of them were not in the Committee at all; that the motion had been altered. Of course in *Hansard* the corrected names appeared, but in the Appendix they did not. In that case the officer in charge ought to have corrected the Appendix.

687. *Hon. Sir J. Hall.*] That would be the Journal, not the Appendix?—The Journal of the House. Thus, your *Hansard* gives the names of one set of gentlemen as the Committee, and the Journal another. The alteration was made in moving the motion, probably, and the names were put in by some clerk as they appeared on the paper. But beyond and more than that, I might notice an Act of Parliament in which an alteration was made.

688. *Mr. Guinness.*] Of 1884?—No; of 1870, which alteration was of very serious consequence. There was no doubt it was altered after it was passed, and so serious was it that an amending Act had to be passed the next session to give effect to what had been passed by the House the previous session. I simply give these illustrations to show that what the Under-Secretary has done in this case was the right thing to do—to make a correction so that the text of the concluding paragraph should

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.

702. Do you approve of the fact that the expenditure is stated to be £391,612, in two places, and differently in two other places, as now bound up in the Appendix? Look in Table C., where you find a credit of £111?—I look upon that as a small matter.

703. You do not dispute the fact, then?—No, certainly not.

704. *Mr. J. Mills.*] Mr. Seddon says, after he had laid the Statement before the House, in which these incorrect figures were given, the mistake was pointed out by two members of the Opposition, Mr. Mitchelson and Mr. Richardson. The mistake having been pointed out, he did not think it necessary to admit or deny it. Do we understand from that he considers they are the proper people to place the proper figures before the country, and that the colony could rely upon their statements and not upon his?—I should say at once, if any member holding the position of these gentlemen made an incorrect statement, or specific allusion to something in the Financial Statement, not being borne out by the Public Works Statement, and I was in the House, I should immediately have said they were wrong.

705. The fact is this: You stated the public works expenditure was £295,000; immediately afterwards these two gentlemen say it is £391,000. You admit they were the gentlemen whose statements could be relied on by the country?—In the first place, you are wrong in the way you have put that. You are evidently speaking from memory of the Public Works Statement. If you turn to it, page 14, you will see I say: "For the purpose of showing how the tapering-off policy, succeeded by the self-reliant non-borrowing policy, has affected our public works expenditure during the last few years." It was not the last year.

706. But you give the figures for last year as £295,000?—That is not the question. In putting it to me you said—"as compared with last year." I replied you were evidently going from memory, for what I had said was this: "to show the effect of public works expenditure during the last few years. . . . I give the following figures during each of the years mentioned." You cannot apply it to any single period. If you turn to the first part of the Public Works Statement you will find the same thing occurs, "for the last few years." If I had wished to make the point in the way you put it I should have said so definitely and distinctly.

707. The point I wish to bring out is, you stated the expenditure was £295,978. Messrs. Mitchelson and Richardson pointed out that was a mistake. You are content that the country should rely upon their statement?—Certainly not, because the country got the very next day the correct amount. Only a very few of the first copies were printed.

708. But, presuming these statements were published broadcast by the newspapers, you are content the country should accept the statements in opposition. The Appendices, you know, are buried, and they are not referred to, except by a few, days afterwards?—It is not that I am content with the contradiction. But there is *Hansard*, which has a larger circulation than any paper in the colony, and which is looked upon by the public as reliable. Both in *Hansard* and the Appendix they had the correct figures.

709. But *Hansard* is published weeks probably afterwards. I am alluding to the original Statement published in the newspapers. You state these gentleman having pointed out the mistake, you did not consider it necessary to offer any explanation by way of admitting or disputing it?—I did not say that. It was my intention to reply and make a statement. But when I got up the Speaker had left the chair.

710. I am inclined to think more than once, in so many words, you gave, as your reason for not getting up and explaining the mistake, was that these two members of the Opposition had done it, and you practically considered that sufficient?—What I did say was, I did not contradict them at the time. Had they been incorrect, I should have contradicted them at the time. That is what I said and say now.

711. *Mr. Wright.*] Could you tell the Committee about the date when you obtained the figures given in "Exhibit 3"?—No, I could not.

712. Would it be somewhere during the month of September in which the Public Works Statement appeared. The Public Works Statement was presented on the 27th September?—I know that. I did not take very long to compile it. Of course I could not give you the dates.

713. You had these figures delivered to you during the month of September?—That I could not tell you.

714. Would it have been the month previous, August?—I could not tell you that. I could not give you the date when Mr. Blow told me what the figures were.

715. You say you were a very short time preparing the Statement?—I was a very short time preparing it.

716. And it was based on these figures?—Whatever Mr. Blow told me as regards figures, of course, that would be the basis.

717. At the time you prepared that Statement had you not seen the statement prepared by the Treasurer, headed "Statement showing the net Issues from the Public Works Fund for the year ending the 31st March, 1892," and audited by Mr. FitzGerald on the 29th April, 1892?—No, certainly not; I never saw that.

718. You had not seen that statement?—No, certainly not. If you ask me whether I had seen the Financial Statement, and knew about the Financial Statement, I should say "Yes." But, as regards the tables of the Financial Statement, I should say "Certainly not."

719. In seeking to ascertain the public works expenditure under your control, you ignored altogether the figures of the Treasurer in reference thereto?—Well, I should take them from my own officers. I should not go to the Treasurer. Probably, had it not been the bustle of the end of the session, I might have to open the Statement I keep by me, and have gone to them instead of asking the Under-Secretary, and the thing would never have occurred. Or I should have asked to be shown why it was there was a discrepancy between the gross amount and the figures supplied.

720. Did you obtain the figures on Exhibit 3 from Mr. Blow?—Yes; there is no doubt about it. I never saw any one else. The figures there were obtained from Mr. Blow; I saw no one else in reference to it.

721. Is it customary for an Under-Secretary to furnish information in the manner indicated by this exhibit, with neither name nor date?—I would not inquire how he would get the information. I took it he would be satisfied with them before he gave them to me.

722. That is not my question. I ask you whether it is customary for your Under-Secretary to furnish you with information of importance in such a fashion. That piece of paper contains neither heading, signature, nor date. Is that customary?—A particular set of figures are asked for; they are put on a slip of paper. You know what they are, and what they are for. I have no doubt, some day or other, you will find that is the custom if you get in the position I am in. You, I dare say, will find it convenient to get the same information in the same way.

I think I would require somebody to put his name there.

723. *Mr. G. Hutchison.*] Are you aware how the figures appeared in the newspapers on the day after the paper was laid on the table?—I could not say. I did not look.

724. Did Mr. Blow, when he admitted having corrected the figures, say anything about the tables having also been altered?—No; I may say I was not aware of that credit of £111 until that came out in the Committee.

725. You were left, then, to find it here?—It was the first I heard of it.

726. Have you censured Mr. Blow for his conduct?—I made inquiries, and found the usual custom had been followed. As he had followed what had been obtaining for years I could not censure him, but I came to the conclusion that it would have been better if he had told me the next day.

727. It would have been better if he had told you before he had altered it at all?—At all events, I found that he had treated the Statement laid upon the table as a Statement delivered orally and previously. In all these alterations had been made.

728. Has Mr. Blow or any body else been able to point out a similar course followed, or alteration made, in any document laid on the table?—Well, it is impossible to find a particular one. I should say Yes, alterations have been made.

729. Has he been able to point out any similar alteration made in a public document?—Well, I did not require him to do it, because I know of my own knowledge.

730. What one do you know to have been altered in this way?—I think I told you that within my own knowledge alterations have been made.

731. We want an instance or two?—Probably if you go through the Appendices and Statements you will find out for yourself.

732. I ask for an instance?—There is the one Mr. Costall gave in his evidence.

733. I think the House would like to know. We are only ascertaining this for the purpose of reporting, you know, and I ask for an instance?—I have myself seen a Statement—a Financial Statement—and not since we have been in office—which it was impossible could go through as it was read and delivered. It was a mass of interlineations and marks, and it was impossible there could have been no alteration.

734. That is an inference of your own?—I do not know that it is. It certainly fortifies myself.

735. I think it is one of those points upon which the House will ask for information. I think on resuming you might give one or two instances?—I have given you all the information upon this head I think I should. You ask me if I have satisfied myself, and I say I have.

736. And I ask you for an instance?—And I decline to give it.

The Committee then adjourned.

WEDNESDAY, 23RD AUGUST, 1893.

Hon. R. J. SEDDON further examined.

737. *Hon. Mr. Seddon:* The last question yesterday, I think, was asked by Mr. Hutchison, who desired me to give a particular case or cases, within my own knowledge, of the alteration of a Statement. I said "I declined." I wish to explain: I said that as this is not a question of the alteration of any other document. The information being given to me confidentially, I do not think I would be justified in giving the details. It is a long time ago, and it does not affect this case at all. It was not that I wished to say I would not answer any question put to me, but I said "I decline," that being a short way to answer.

738. Was that instance in the Public Works or the Financial Statement?—Both, I should say.

739. *Mr. G. Hutchison.*] Can you say how long ago it was? Are you at liberty to say that?—Oh yes, I have previously said it was some time ago.

740. Was it a Public Works Statement or a Financial Statement?—I think I may say both.

741. Alterations in both?—In both. I mean to say it has been a general practice. That is the English of it.

742. Was the alteration similar to this—not what we may call an ordinary alteration, but one affecting the gist of the passage?—There have been contradictions in different parts; the figures have not agreed; there has been inconsistency, errors, which of course have been corrected. That is what I mean.

743. In regard to this instance in your mind, no opportunity was taken to point out any corrections made?—No.

744. Then to this day, the public are probably under a misapprehension?—I would say this: Suppose you are in the House taking down what was being delivered, you would probably find subsequently some figures would not agree with those in the Appendix. That is, the complete Statement would not agree.

745. That is hardly the present case?—The present case is in regard to a document laid on the table.

746. Perhaps you would be good enough to say, whether the cases you have in your mind are similar to that—namely, documents laid on the table being afterwards altered without attention being called to the fact of the alteration by the Minister who laid them on the table?—Well, you have not had, except this last year or two, this system of taking the Statement as being delivered. If I had spoken this, or read it, whichever you like, then what has been done is in keeping with what has been done before.

747. *Hon. Sir J. Hall.*] Put it in this way: The system has obtained of laying Public Works Statements on the table. Has any instance occurred of an alteration being made in the Statement after it has been laid on the table?—As regards the Public Works Statement?

748. Yes?—No; not to my knowledge.

749. *Mr. G. Hutchison.*] Do you know, Mr. Seddon, if it has been the practice for Ministers to put their names on the document when that is laid on the table?—Oh, all documents laid on the table of the House must have the name of the Minister who lays them on the table.

750. Has that been the practice in reference to Public Works Statements?—I do not know.

751. That is a paper laid by a Minister on the table?—Well, it ought to bear the Minister's signature, according to the Standing Orders. That is a question for the Clerk of Parliament.

752. That is, according to the Standing Orders?—Yes.

753. Are you aware this document has not your signature?—I should not be at all surprised.

754. You do not remember whether you put your signature on it or not? You do not remember signing it?—No. Of course there is only the one Statement I laid on the table.

755. This was the second laid on the table without being read.

Mr. Hutchison: No, I think Mr. Mitchelson began the practice.

Mr. Seddon: No, I do not think it. I think it was Mr. Fergus who commenced the practice. I do not think it was Mr. Mitchelson.

756. *Mr. Hutchison.*] You have always done it?—I have laid two Public Works Statements on the table, and I may say my present intention is not to continue the practice. I think I shall reserve to myself the same privilege as has been given to my predecessors. It was considered a saving of time; but if there is to be this sort of thing—Committees sitting days to inquire into it—it would be better to conform to the rules and adhere to the old system. Had that been done, as I have told you, you would have known nothing about it. That is about the English of it. I would not raise the technical point, that it has not been laid on the table in the ordinary way, now.

757. *Hon. Sir J. Hall.*] I think you stated, Mr. Seddon, that you recognise no difference between a document laid on the table and what I may call the reporters' version of a speech. When alterations have been made on previous occasions they have been alterations in spoken Statements, and, of course, that is supposed to be a reporter's version?—Scarcely so. I think if you look up *Hansard*, you will find the form adopted in this and in previous cases has been that the Statement has been taken as delivered, and for the purposes of reporting and publication, though laid formally on the table. That, I think, is the position.

758. You stated, I think, of your own knowledge, Public Works Statements had often been corrected, and that Mr. Blow had followed the usual custom in altering the Statements?—Well, you have Mr. Blow's evidence. It is to the same effect as mine.

759. No, pardon me. However, did the alterations you speak of refer to alterations of the tables attached to the Statement or to the text of the Statement itself?—Well, the text. What I referred to was in the amount given as available for expenditure. Oftentimes—it is not at all unreasonable to expect it—in printing you will find a wrong figure, and that in the text. I should myself not consider it at all going beyond what was reasonable, or what could be expected, if when that was found to be the case it was corrected.

760. That is not my question. It is not what you consider reasonable. You say, Mr. Blow followed the usual custom in altering the Statement. I ask whether that refers to alterations in the tables or text?—The custom followed has been this: the department has and keeps control of the Statement until it leaves the Printing Department, and would correct it until the final print is given. In the past the final print has not been held to have closed immediately it has been delivered by the Minister.

761. I must press for an answer to my question?—That is my answer.

762. Pardon me, but it does not answer it. Will you kindly say whether your statement yesterday referred to alterations in the text or simply in the tables attached to the Statement?—I say it would apply to both, until the final pass of the department; up to then the department has had control.

763. Does the statement amount to this, that Mr. Blow has followed the usual custom in altering Statements in the text?—It applies to both; as I say, simply to correcting errors.

764. It does not matter?—I put it that way—correcting errors.

765. Any alteration? Can you cite a single case in which alterations have been made in the text after the Statement has been laid on the table?—Well, of course, you have had the case cited by Mr. Costall, and I have no doubt if you took the whole of the Statements delivered you would find corrections. I do not think you would find any difficulty in that whatever.

766. Are you aware Mr. Costall stated in evidence there is no other case; he has been for twenty years in the printing-office, and there is no other case in which an alteration has been made in the text?—No other case after the Minister has read it?

767. After the paper has been printed off for circulation amongst members. After that he knows no other case except one of Sir Julius Vogel's. In that case the copies originally issued were called in, and members were made aware that an important alteration had been made to it?—Is he confining himself purely to Statements, or all documents?

768. No; he is speaking of Statements like this one?—He confines himself to Statements. He does not say as to all reports and other papers.

769. No; nothing to do with them. Are you aware Mr. Costall said that?—Yes.

770. And do you think he is likely to be mistaken there?—Yes; positively, I do. Either that, or else the copies were not circulated until some time afterwards. It depends upon when they were circulated. They may be circulated next day.

771. We have your evidence against Mr. Costall's?—It depends upon when they were circulated. The final revise may not have been sent down to the printing office till the next day, and the correction would be made meanwhile.

772. Have you censured Mr. Blow for his action in this matter?—I have not censured Mr. Blow, on his explanation being given that he was following the usual course, and the one previously followed. I do not think I would be justified in censuring him. The only thing I did feel sore about was that I thought he should have told me the next morning he had discovered it; because that would have given me an opportunity of inquiring as to whether or not the usual course had been taken, and I could have taken other steps if I thought fit. I think he ought to have told me.

773. Then, do you approve of his having made this alteration in the text of the Statement without your authority?—No. I think, as I have said, he should have told me; but, bearing in mind the practice, I did not think there was sufficient ground for my censuring him. Had it been that there had been no precedent, and that he had not had any experience in the office, it might have been different. But, if an officer tells you, "I simply did what was done before; I have only followed the practice that usually obtained"—what can you do? I was satisfied, and acted accordingly.

774. Then, if Mr. Blow's statement, that he only followed previous precedent, was incorrect, do you think he was to blame—assuming his statement was incorrect?—If his statement is incorrect, I should say, Yes.

775. You accept responsibility for Mr. Blow's action, I understand?—Certainly. As Minister of the department I cannot shirk responsibility.

776. Oh! no, no! You accept responsibility—not merely the usual official responsibility—but the actual responsibility?—No Minister can accept the responsibility for a thing he was not acquainted with.

777. Pardon me?—Well, I say at once, not being acquainted with the thing, it is unreasonable to say "Do you accept the responsibility?"

778. But if, when it comes to your knowledge, you do not condemn it, and then leave the matter unexplained, do you not think that it is accepting the responsibility?—Certainly not. I simply say this: Had I been informed of it at the time, before the corrections were made, I might then probably have taken another course. But as it was made, and five days had elapsed before I was aware of it, it is unreasonable to say "Do you accept the responsibility." If you were to ask me, "If the same thing occurred again, and I was informed of it immediately afterwards, whether or not I should take other steps," I should at once say, "Yes. Most decidedly so."

779. Then, do you accept the responsibility for the knowledge of these alterations having been made being withheld from the House? Mr. Blow not only made the alteration, but withheld the information from Parliament?—The opportunity for my giving the information to Parliament was lost under the circumstances I have detailed. But it had been given by *Hansard* and unquestioned; and 1,500 corrected copies were circulated. The only correction that could be applied would be to the 300 copies—less than 300 copies—the few first circulated to members. I deny *in toto* that the thing was kept from Parliament. Every member in the House knew about it last session.

780. Do you mean that I knew about it?—Yes, Sir John.

781. *Hon. Sir J. Hall*: I can only say you are mistaken.

Hon. Mr. Seddon: Then you could not have paid much attention to the debate.

782. *Hon. Sir J. Hall*.] I did not know there was any acknowledgment on the part of the Government that they had made a mistake. There was an assertion on the part of a private member? The question was raised.

Hon. Mr. Seddon: I admitted it, and took it as a generally accepted thing.

783. *Hon. Sir J. Hall*.] With regard to the circulation of the copies. You say that only a few copies were circulated to members, and I think you stated yesterday that other copies were supplied to members?—I said I saw them; whilst one member came to me with the two copies—the original and the corrected one—and asked me what was the meaning of it. I told them that one showed the net and the other the gross, and that it was a mistake.

784. Are you aware there were 300 copies of the incorrect Statement circulated, and only twenty-five copies of the corrected Statement?—That, of course, is Mr. Costall's evidence, and I should take that to be correct, that he would follow the usual custom. He said he could not say it was so. But they were sent up; and I am positive there were other issues sent up to members, because I was asked to get them.

Mr. Tanner: I have a copy of it now. I looked amongst my papers and found it.

Hon. Sir J. Hall: But, you see, you are on the same side of the table.

785. *Mr. G. Hutchison*.] Mr. Mitchelson had one; but Mr. Seddon was speaking of a new issue?—I was never more surprised in my life than when this question came up at the commencement of the session, and it was put that it was not the alteration that appears, but that there had been a corrected copy first; that I had altered that for a second copy, and that then there had been another issue with the corrected accounts. It was that that I—I do not know how I felt. A member of this House said to me: "Oh, I have seen the corrected copy you had first; I was in the Government Office, down at Government Buildings, and I saw it with the officer, and I asked him what was the meaning of it." What he had seen, and what commenced the whole of this, was a corrected copy he had seen the next day. It was that I was challenged with at the beginning of the session.

786. *Hon. Sir J. Hall*.] Then, Mr. Seddon, do you not think when Mr. Blow made that important alteration in the text of the Statement, he ought to have taken steps to have the corrected copies circulated to members generally, instead to only a few of them?—That was so, Sir John; after the

first 300 were circulated, simply the ordinary number, the corrected copies were open for all the members. There ought to be and always are a very large number circulated to members after the first ones. At first there is a rush for the few first numbers printed, but subsequently the members can get as many as they like; there is no limit.

787. But that is not my question. My question is not whether members might have got further copies, although twenty-five only appear to have been sent up to the House?—That is all they have the records of. But I would like to have asked Mr. Costall, if I had been here, what orders he got from the Government for extra copies.

788. My question was, that that important alteration having been made, whether Mr. Blow, who was responsible, should not have taken steps to have members supplied with a corrected copy?—I think so, Sir John. I think, had I known it the following day, or before this debate, I should. But I took it for granted the corrected copies had been sent out. Had I known earlier, I should have given orders to have 300 additional copies sent up to the House for distribution. I think you are quite right there.

789. Would you have explained why that was done?—There would have been no explanation necessary. The documents would have spoken for themselves.

790. In your evidence yesterday you stated that, when you learned from Mr. Blow that Mr. Mitchelson's statement was correct—that the inaccuracy pointed out by Mr. Mitchelson was a true one, you made a note to correct the statement?—I marked it on my notes with the intention of proving my Statement was correct, and that he was in error. Then I went to Mr. Blow and found that the error was in the Statement, and not, as I thought, on Mr. Mitchelson's part.

791. Then did you not intend to make that clear in your speech?—Had I replied that night I should certainly have referred to it, and stated that I had ascertained from Mr. Blow that the amount in the Statement was the net amount, and not the total expenditure under that heading.

792. Do you think it right to let the session come to a close without the matter being revealed to the House?—It was revealed, and very fully revealed.

793. Do you think it right to let the session come to a close without a statement from the Minister that an alteration had been made in the Statement, and that the first Statement was an erroneous one?—I may say, with the fact that it had been spoken of by Mr. Mitchelson, and Mr. Richardson, the correct amount having been stated in the Financial Statement, in the tables of the Public Works Statement, and in the text of the Public Works Statement; and the copies—corrected copies—having been circulated, I considered myself that nothing further was required. It was well known, and I did not think there was a necessity for anything further being done than was done.

794. You think it was a proper thing to allow the session to come to a close without that error being acknowledged?—I say it was acknowledged, and I said the corrections were made.

795. When was it acknowledged, Mr. Seddon; when was it acknowledged officially?—Officially it was acknowledged by the correction the day after the Statement was laid on the table.

797. No; that did not come to the knowledge of the world at large. Then, was the fact of the alteration being made?—That question has been raised several times during this inquiry. The inquiry is not as to whether or not I ought to have given this information to the House; it is whether I made an alteration "secretly, silently, and surreptitiously," and not because I refrained from giving certain information to the House that should have been given. What has been charged against me is that I made these alterations.

798. I think it is something more; I think it is whether you were a party to the fact of an alteration having been made?—No.

799. And whether you were a party to that having been made and to the knowledge having been withheld from the House?—No. The leader of the Opposition, to cover his retreat from the first charge, has raised that question in his evidence. But it is not in the charge recorded in *Hansard*, and which we are sent here to investigate. I will take the Chairman's ruling. I am not charged with keeping information from the House, but that I made certain alterations in a document laid on the table of the House, or in a document circulated to the public.

800. If you did not make the alteration yourself, did you not keep it from the knowledge of the House? Were you not accessory to that being done?

The Chairman.] I do not think that is a proper question to discuss at all.

801. *Hon. Sir J. Hall.*] I put this question: If you did not make the alteration yourself, did you not keep it from the knowledge of the House? Were you not accessory to that being done?—I said I did not keep it from the House. I did not make the alteration. I did not keep it from the House, nor was I accessory to its being kept from the House. It was given to the House. The Hon. Mr. Mitchelson and the Hon. Mr. Richardson spoke of it; corrected copies of it were given to members—they came to me with corrected copies, and it was known by every member of the House at the end of last session that this error had been made. I say now I was, as I have said, never more surprised in my life than when this question came up this session. As far as the amount was concerned, it was well known and understood last session. But it came up in quite another way this session: that was, that it was not an error at all, but that I had deliberately had the corrected amount given me first, and, to attempt to show there had been a reduction in the expenditure, that I had altered the correct amount to a lesser amount.

802. *The Chairman.*] You say it came up this session? In what way? Did it come up in the House?—Yes.

803. In a speech of one of the members?—Yes.

804. *Hon. Sir J. Hall.*] In whose speech?—The Hon. Mr. Richardson's; look at Mr. Richardson's speech.

805. *Mr. G. Hutchison:* We are not inquiring into that?—You ask me a question and I give my answer. You must take my reply. Mr. Rolleston's charge was the second time it had been stated in the House. It was stated by the honourable member for Mataura first, and I then challenged it. When it came up again, by Mr. Rolleston, it was quite clear to me there was a necessity for at once

challenging the statement, my explanation not having been accepted in the first place. That is my answer to the question put by the member for Ellesmere. I do not wish it to appear to the Committee, with a question so important, that I decline to answer any question on technical grounds. I would rather take a bold and broader view of it.

806. *Hon. Sir J. Hall.*] As you were prevented by sleep from admitting the incorrectness of this statement when first challenged, why did you not take the opportunity during the five days which elapsed between that time and the end of the session?—That is putting the question in another form, and my answer to the previous question will apply; that it was corrected, and corrected copies were circulated amongst members. The matter was well known, and it appeared in *Hansard*, which is of course the correct report of what transpires in the House.

807. You say corrected copies were circulated amongst members? It is desirable we should have that correct. Are you aware Mr. Costall has stated only twenty-five copies were sent up for the use of the House?—Mr. Costall does not know how many copies were obtained and which were given to members.

808. Have you any personal knowledge that members generally obtained corrected copies?—I have the knowledge that several members obtained, I think from myself, corrected copies; and several members spoke to me upon this question, some of them having the two copies.

809. Will you look at that monthly statement of public works expenditure; it is an old one of my own?—Yes.

810. I believe you, as Minister for Public Works, have a similar statement laid before you monthly?—It is somewhat altered—my statement is—to that.

811. Can you supply the Committee with a copy of the statement for August and September, 1892?—I should think they have it in the office.

812. You have this statement laid before you every month, have you not?—Yes; they are supposed to be put before the Minister every month. Sometimes it occurs, as in session time, we do not get them at that time; and in all probability I would not have that one for the month before me. I am pretty sure I am right in saying I had not.

813. You stated it was upon the figures given in the Accountant's memorandum that you framed your Statement?—I did not say that. I asked Mr. Blow if he would, of course, get it.

814. I think your remark was, as to the first part of the concluding paragraph: "On these figures I built the structure?"—I did not say from the Accountant's; I said "those supplied to me."

815. What do you mean by "supplied to me"? Do you mean Exhibit No. 3, which has been shown to us, with pencil memorandum?—I cannot say, Sir John. It is so long since Mr. Blow put these before me. All I know is this: I asked Mr. Blow beforehand, and was supplied with figures. I cannot say they were those; but Mr. Blow has said in his evidence that was what he took the figures from. I cannot remember the circumstance, but I should take what Mr. Blow said to be true.

816. Having this monthly statement before you, were you not aware, when you came to the preparation of this Statement, whether you had spent £300,000 on public works or £400,000 during the course of the year?—If you asked me the question under ordinary circumstances I should have said Yes. But if you ask an officer, whose duty it is to attend to this and nothing else, when you are about preparing a Statement, to supply you with figures, and he gives them to you, that would take away from the Minister for the time being his research or the taxing of his memory. I have no doubt it would do the same with you or any other Minister.

817. Then it did not surprise you when you were told only £300,000 had been spent during the year?—I may say that I kept down expenditure, and it was some new contract that came in—at least some heavy payments—which upset our calculations for the year. I think our ordinary amount per month was put down at £30,000. We had arranged to bring our public works expenditure within certain limits. I think the limit was £30,000 a month; that was the maximum. I am speaking now from memory, but there had been some heavy contracts previously; the final payments fell in, and that, of course, increased the amount considerably. If you ask me the question of keeping down expenditure—?

818. No; I am not asking that?—We had to do it, and did do it.

819. You said in your evidence yesterday that, on these figures supplied to you, you built the structure of the Public Works Statement?—That is so; when I saw these figures for the previous years, the figures that are in the concluding paragraph of the Statement.

820. Wrong figures, in fact?—It includes, of course, several years.

821. When you found that the figures were wrong, did not that make the superstructure wrong?—The very first page shows the expenditure to have been £391,000, and it is also in the tables, and in the Financial Statement.

822. Did it not make the first and concluding paragraph wrong—the concluding paragraph, at any rate—which was built upon these figures? When these figures turned out to be wrong, was not that superstructure, the concluding paragraph, also wrong?—If you read that Statement strictly the superstructure is not wrong. If you compare it with the "few years." If you take a single year it would have been £334,000 as against £295,000, or £334,000 as against £391,000, with the corrected figures. But if you take the superstructure as a whole, and with the whole of these figures supplied at one time, the superstructure is still correct.

823. You refer, in the concluding paragraph, to the expenditure during each of the years mentioned, and the expenditure not of the years generally, but of the expenditure "during each of the years mentioned"?—How could that be, in the face of the figures there.

824. I am quoting from your Statement?—If you look, you will see it is the expenditure of the "past few years as shown in the figures in the paragraph."

825. Yes; the figures in the paragraph, however, are £295,000?—On the face of it, they have to be taken together.

826. Then, do I understand you to say you do not think the concluding paragraph was misleading?—I say, any one who looked at the figures could see the meaning. Of course, if you compared the £295,000 with the £334,000, it would show a less expenditure; that is, if you looked at nothing else. Some people, too, might have explained that particular figure as "2" being placed instead of "3;" and think it was simply an error. Any one reading that Statement impartially, and seeing the contradiction as regards the last part of that which has been read, may have said it was simply a clerical error. It was, of course, not a clerical error; but the net was given instead of the gross. That you have had, time after time.

827. *Mr. Guinness.*] Did you, Mr. Seddon, during the recess, in any speeches you made in any part of the colony, take credit for or trade upon the erroneous statement in your Public Works Statement?—Certainly not. I have taken the whole time we were in office and compared it. It would be grossly unfair to myself and predecessors simply to take one year's expenditure. Contracts were made prior to our coming into office; these would fall due, and the final payments would constantly increase the expenditure. Thus, to take any single year for comparison would not be fair. I would not do it myself, and I would not expect it to be done to me.

828. It has been asserted that some of your colleagues have done that. Is that true, to your knowledge?—No.

Hon. Sir J. Hall: Is that a relevant question?

The Chairman: No; but, as Mr. Guinness has not asked many questions, I did not stop him.

Mr. Guinness: It has been stated; members have told me; and I want it contradicted.

Hon. Mr. Seddon: I ask any man, would such a thing not recoil upon the man who said it? My colleague, the Colonial Treasurer, has given £391,000 as the expenditure. He has given that positively to the country.

829. *Mr. Wright* (through the Chairman.)] The Premier has stated that several members went to him with the correct and incorrect copies of the Statement and asked him to explain the discrepancy. Did not the fact that they did so suggest to him the necessity of explaining the error to the members of the House and the country?—He is asking me for an expression of opinion. I have given my reply to that to Sir John Hall.

830. The fact that several members asked privately for an explanation did not indicate to him the necessity for a public explanation?—With the fact of the members having a corrected copy, of *Hansard* being corrected, of copies circulated amongst members, and the statements made in the House, what more do you want. Not only that, but I have no doubt the public were, as a matter of course, enlightened upon the subject. You will see that, particularly if you read some of the Opposition journals of that particular date, pointing out the error. As much capital as could be made of it was made, and I have no hesitation in saying it was well-known both in the House and out of it.

831. When did Mr. Seddon admit the error; does he recollect?—When Mr. Blow told me he had made the correction there was nothing else but to admit it. When the officer in charge of the department, on my going to him, says that in the concluding paragraph the net instead of the gross expenditure has been given, one, of course, must admit that the correction had been made.

832. *Dr. Newman.*] Will you produce your monthly statements for the year ending March, 1892?—I will produce the monthly statements. I would not say I had the August one at the time I made the Statement, but I will get you the monthly statements for August and September. I, however, should like to make the explanation clear; I would not say I had the August one before me until very late in the month. Sometimes they do run, particularly during session, considerably after the time, owing to pressure of business in the department. Under ordinary circumstances I get them a few days after the end of the preceding month.

833. I do not want August and September. I want the returns for the twelve months, ending 31st March, 1892? I want it up to and inclusive of that date?—Are you asking that as part of the inquiry. If you ask for the whole of these statements you will have to wait for weeks.

834. *Hon. Sir J. Hall:* There is a summary.

Dr. Newman: I will take the summary.

Hon. Mr. Seddon: Very well; you shall have that.

835. *The Chairman.*] Are there any witnesses you would like to call, Mr. Seddon?—No; I do not wish to call any one.

Mr. G. Hutchison: I should like to have the clerk who drew out these figures ("Exhibit 3").

Mr. EDWARD HORNEMAN examined.

836. *The Chairman.*] In what office of the public Service are you?—In the Public Works Office.

837. You are a cadet in the office?—Yes.

838. Do you remember having seen these figures ("Exhibit 3") before?—Yes; I have some recollection of them.

839. Are they your figures?—Yes.

840. Do you remember from whom you got these figures?—I think I got them from Mr. Blow—part of them. I do not remember exactly or very clearly. Some, I think, I got from him, and some I think I got from the Accountant. I am not quite sure. I cannot say which ones they were, but these are my figures.

841. *Dr. Newman.*] The figures in ink are yours?—Yes.

842. What about the figures in pencil?—I do not think I have seen them before.

843. Are they yours?—No. Those in pencil are not mine. Those along the top are mine, those in ink. But those in pencil I do not think I have seen before.

844. Do you think Mr. Blow gave you the whole of the top series or not?—That I could not say for certain.

845. Do you know for what purpose these figures were wanted, or when they were put down like that?—It was last year, some time, but the exact date I could not say.

846. Are you merely a recording clerk for Mr. Blow, or did you find the figures out for yourself?—No. I am corresponding clerk in the next office to him.

847. That series of figures were dictated to you, or had you to rummage in the books?—Oh, they were dictated to me.

848. You had nothing to do with the task of compiling them?—No.

849. You merely recorded what was told you?—Yes.

850. Who told you?—It was between Mr. Blow and Mr. Clapham. Whether Mr. Blow told me them all I am not quite sure.

851. You recorded them?—I put them down.

852. *Hon. Mr. Seddon.*] I did not give you any figures?—No, sir.

853. *Mr. Wright.*] You feel satisfied that these figures were dictated either by Mr. Clapham or Mr. Blow?—Yes, I feel satisfied of that.

854. So that if Mr. Clapham says he knows nothing about them, then it must be Mr. Blow.

The Chairman: I cannot allow that question.

855. *Mr. G. Hutchison.*] Can you say how long ago it is that you put these figures down?—No, I cannot say exactly how long ago.

856. Twelve months ago would it be?—It is about that, most likely.

857. Have you ever seen the paper from that day to this?—No; I have not.

858. How many years have you been in the Government service?—About fourteen months.

859. Then you were there two months or so when you put these figures down?—Yes; most likely two months.

860. About that?—Yes; that is, as far as I know.

861. *Mr. Guinness.*] In whose department or under whose control are you in the Public Works Department?—Mr. Blow's.

862. You are not under Mr. Clapham?—No.

863. Can you tell the Committee under what circumstances or for what purpose these figures were required?—No; I cannot.

864. You have no recollection?—No; I cannot say.

865. You have no idea for what purpose they were required?—I have no idea for what purpose they were required at all. I have nothing to do with figures as a rule.

WEDNESDAY, 30TH AUGUST, 1893.

Mr. S. COSTALL, re-examined.

866. *Hon. Mr. Seddon.*] By the *Hansard* circulated, it will be found that the corrected figures of the Public Works Statement are therein given. Can you tell the Committee, first, whether any correction has been made, and, secondly, by whom?—There was a correction made, and it was made in an ordinary and simple manner. The *Hansard* report was set from one of the earlier copies, which was cut up, as is usual, into convenient sizes for the compositers. When it was finally read, before being sent to press, it was compared with a complete copy, and that copy happened to be a revised one. The Reader, seeing the discrepancy—he was at the time aware that the Under-Secretary for Public Works had made an alteration—himself corrected the figures accordingly. No one outside of the office was aware of the circumstance, it began and ended with the Reader.

867. Then the slips of that particular part of *Hansard*, and which contained the particular part of the Public Works Statement, was not sent to me at all?—That I cannot say, Mr. Seddon.

868. Would they be sent in the ordinary way?—Yes, they would.

869. And they would be returned in the ordinary way?—They would.

870. And returned unaltered by me?—And returned unaltered. There can be no doubt about that.

871. *Mr. Guinness.*] Or not returned at all?—Or probably not returned at all. In that case we should proceed, and go to press. It would be exceedingly improbable that the Financial Statement or the Public Works Statement would be read by the author. The sending of the *Hansard* slips would be a mere matter of form.

872. What is the name of the Reader?—Mr. Henley.

873. *Mr. Tanner.*] Did Mr. Henley bring the fact of this discrepancy before any other person in the office? You stated this alteration of *Hansard* began and ended with the Reader?—No; he did not.

874. *Mr. Wright.*] One further question, in justice to the Reader. He was doubtless aware that the Public Works Statement had been corrected?—Yes. I stated just now he was aware of it.

APPENDICES.

APPENDIX A.

ERROR MADE IN PUBLIC WORKS STATEMENT, 1892.

(EXPLANATION BY UNDER SECRETARY FOR PUBLIC WORKS WITH REFERENCE TO;
ALSO EXPLANATION BY MR. SPEAKER.)

MEMORANDUM for the UNDER-SECRETARY for PUBLIC WORKS.

Premier's Office, Wellington, 26th July, 1893.

In *re* error made in the concluding paragraph of the Public Works Statement, 1891-92, and laid on the table of the House last session.

I have been accused by the Hon. Mr. Rolleston of having silently, secretly, and surreptitiously falsified the said Statement.

With a view to setting myself right, and confuting this incorrect and unfounded accusation, I desire you to supply me with the fullest particulars as to how the error arose in the first instance in the Statement laid upon the table of the House, and how, when, and by whom the correction was made in the copies circulated subsequently from the Printing Office.

Please detail each and every circumstance within your knowledge connected with the same, upon receipt of which it is my intention to lay it on the table of the House, and refer the matter to the Public Accounts Committee.

R. J. SEDDON.

MEMORANDUM for the Hon. the MINISTER for PUBLIC WORKS.

Public Works Department, Wellington, 26th July, 1893.

Re Clerical Error in Public Works Statement, 1892.

In my memorandum of the 27th ultimo I explained how this error came to be made; but, as I did not for one moment suppose that any one would imagine that the error was any other than a simple clerical one, I did not then go into the question of who was responsible for it. As, however, you now say that you have been charged with having silently, secretly, and surreptitiously falsified the Statement, I wish to say, in the most unqualified manner, that the responsibility for the error rests entirely with myself and the departmental officers, and that you personally are in no way answerable for it.

When the Statement was being compiled I got a memorandum of the expenditure for the last seven years from our Accountant's office, which, owing to some unfortunate misapprehension, gave the "net" instead of the "gross" figures for 1891-92. I showed this memorandum to you, and, noticing that it showed a steadily-diminishing scale of expenditure, you then wrote the concluding paragraph of the Statement, basing the same entirely on these figures.

The "conclusion" paragraph of the Statement was not written until shortly before the Statement was tabled, and I did not discover the error in the method of stating the 1891-92 expenditure until after the Statement had actually been laid on the table, although it was discovered, I believe, within an hour of the tabling of the Statement, and the alteration in the type was made first thing the following morning by my direction, and without your knowledge or instructions.

You have also told me verbally that a member of the House said that the Statement was first printed in a correct form, and afterwards altered to the incorrect form. This was certainly not the case, and, as I still have the proof copies of the Statement by me, I am in a position to show that the incorrect figures were in this particular paragraph from the time that it was written, which however (as already stated) was only a very short time before the Statement was tabled. The correct figures were always in the table on page 2, however, and this fact alone ought to be a sufficient refutation of any charge of intentional falsification.

H. J. H. BLOW.

SIR,—

Premier's Office, Wellington, 26th July, 1893.

Having been accused in the House by the Hon. Mr. Rolleston, the member for Halswell, of having silently, secretly, and surreptitiously falsified the concluding paragraph of the copy of the Public Works Statement, 1891-92, and laid upon the table of the House last session, I desire you to take steps to ascertain whether the copy of the statement in question has been altered in any way since being laid upon the table, and, if altered, by whom so altered.

Seeing that this matter affects the officer of the House who has charge of the records, will you please attend to it at once.

I have, &c.,

R. J. SEDDON.

The Hon. the Speaker of the House of Representatives, Wellington.

SIR,—

Speaker's Room, 26th July, 1893.

In reply to your inquiry, I have the honour to state that I have at this moment in my possession the copy of the Public Works Statement laid upon the table of the House last session, and that I find no alteration whatever therein or thereon.

I have, &c.,

WILLIAM J. STEWARD,

Speaker of the House of Representatives.

The Hon. the Premier.

APPENDIX B.—EXHIBITS.

EXHIBIT No. 1 (E. W. KANE, Clerk, Public Accounts Committee).

CONCLUSION.

For the purpose of showing how the “tapering-off policy,” succeeded by the self-reliant non-borrowing policy, has affected our Public Works expenditure during the last few years, I give the following figures, which represent the total expenditure under the Public Works Fund during each of the years mentioned, and which afford the fullest evidence of the resources and capabilities of the colony, seeing that, notwithstanding this enormous diminution in our loan expenditure, the colony is becoming year by year more prosperous, and its financial position steadily improving. The figures showing the loan expenditure during the the several years are as follows—namely: 1885–86, £1,475,386; 1886–87, £1,333,484; 1887–88, £966,159; 1888–89, £613,939; 1889–90, £482,464; 1890–91, £334,756; 1891–92, £295,978.

Having now fully disclosed our proposals for the year, I think I may again claim that, in view of the reduced amount of ways and means available, and the resolute determination of the Government to avoid even the appearance of a borrowing policy, that the allocation of funds which we have proposed is a ~~fair and reasonable~~, and under all the circumstances of the case, not an ~~unreasonable~~ unsatisfactory one.

EXHIBIT No. 2 (E. W. KANE, Clerk, Public Accounts Committee).

CONCLUSION.

For the purpose of showing how the “tapering-off policy,” succeeded by the self-reliant non-borrowing policy, has affected our Public Works expenditure during the last few years, I give the following figures, which represent the total expenditure under the Public Works Fund during each of the years mentioned, and which *bear eloquent testimony to the self-sacrificing spirit exhibited by our colonists in accepting with thorough good-will the decreased expenditure which that policy has entailed, and which also* afford the fullest evidence of the resources and capabilities of the colony, seeing that, notwithstanding this enormous diminution in our loan expenditure, the ~~colony~~ *country* is becoming year by year more prosperous, and its financial position *steadily* improving. The figures showing the loan expenditure during the several years are as follows—namely: 1885–86, £1,475,386; 1886–87, £1,333,484; 1887–88, £966,159; 1888–89, £613,939; 1889–90, £482,464; 1890–91, £334,756; 1891–92, £295,978.

The abolition of the system of sub-contracting in connection with our public works, announced in last year's Statement and resolutely adhered to since, has given unqualified satisfaction throughout the country; and the introduction of the co-operative system of construction has likewise led to most beneficial results, experience proving that works are carried out in a more satisfactory manner under this system than under the contract system, and at no increase in cost.

Having now fully disclosed our proposals for the year, I think I may again claim, in view of the reduced amount of ways and means available, and the resolute determination of the Government to avoid even the appearance of a borrowing policy, that the allocation of funds which we have proposed is a fair and reasonable and, under all the circumstances of the case, ~~not~~ *not* an unsatisfactory one.

NOTE.—The words in italics show the written interlineations in the print “Conclusion,” as produced before the Committee.—(E.W.K.)

EXHIBIT No. 3 (E. W. KANE, Clerk, Public Accounts Committee).

1885–86.	1886–87.	1887–88.	1888–89.	1889–90.	1890–91.	1891–92.
1,475,386	1,333,484	966,159	613,939	482,464	334,756	295,978

EXHIBIT No. 8 (E. W. KANE, Clerk, Public Accounts Committee).
ISSUES of PUBLIC WORKS STATEMENT, 1892, from GOVERNMENT PRINTING OFFICE.

Date.	To whom delivered.	House.	Council.	Other Departments.	Total.
1892.					
September 27	Mr. O'Rorke	135*	...	...	135
"	Mr. Stowe	...	69*	...	69
"	Sergeant-at-Arms	9	...	...	9
September 28	Mr. O'Rorke	30*	...	...	30
"	Mr. Otterson	3	...	...	3
"	Mr. Barron (<i>Hansard</i>)	3*	...	...	3
"	Library	...	...	2	2
"	Miscellaneous	...	...	28	28
"	Mr. Blow	...	...	12*	12
"	Files, &c.	...	...	4	4
	Totals of first issue	180	69	46	295
September 30	Mr. Revell	...	...	75*	75
"	Mr. Blow	...	...	163*	163
"	Mr. Pilcher (Railways)	...	...	100	100
October 3	Mr. O'Rorke	25*	...	...	25
"	Mr. Blow	...	...	25*	25
October 6	Mr. O'Rorke	12*	...	...	12
	Total issues to departments to date	217	69	409	695

* Receipts attached.

Approximate Cost of Paper—Preparation, not given; printing (1,500 copies), £29 10s.

By Authority: SAMUEL COSTALL, Government Printer, Wellington.—1893.

Price, Is.]

