

The Premier was requested to attend, which he did, and gave in a list of witnesses to be called, as also of documents and papers he desired to be produced, and he put in a copy of *Hansard* with the passages marked of which he complained. These were made the basis of the inquiry, and a copy was sent to Mr. Hutchison, who was requested to attend to conduct the case and to give evidence, which he declined to do, for reasons which are stated in his letter appended hereto. The Committee summoned Mr. Hutchison to attend and give evidence. He attended and made the following statement: "I attend the Committee because it might appear discourteous not to respond to the request addressed to me by the Chairman; but I do not attend to give evidence or take any part in the proceedings of this Committee. I claim that I am not answerable to any Court or any Committee for what I have said in my place in Parliament. The Committee is already aware that I have stated I would appear before any fair tribunal to investigate the allegations now before the Committee; or, if Mr. Seddon will forego his advantage on this Committee, I will repeat outside the privilege of Parliament the material allegations I made in the course of the financial debate. More than that I will not do. The Committee must therefore excuse my further attendance now or at any future time."

Your Committee considered the refusal, and determined by a majority that it would not report this to the House until after all evidence had been taken. We now draw the attention of the House to this refusal.

The allegations may be divided into two subjects—one, the alleged payments to Mr. Nathan Seddon and Mr. R. J. Seddon; and the other, Mr. R. J. Seddon's connection with the Chinese.

Amongst the papers produced was the special auditors' (Messrs. Spence and Palliser's) report, dated 13th October, 1882, of their investigations, and the charges against Mr. Seddon must necessarily be largely based thereon.

In reference to Mr. Nathan Seddon, it is stated,—“Nathaniel Seddon, day-labourer: We find, on most careful examination, that this man was paid in full up to the 25th December, 1879, after which date confusion begins. This man received wages at the rate of £3 per week up to the 5th November, 1881, when his weekly engagement terminated by order of the Council:—

“From 25th December, 1879, to 5th November, 1881, ninety-seven weeks, at £3 per week	£	s.	d.
“Amount actually paid, <i>vide</i> Schedule C attached	...	...	...
“Excess paid, according to cash-book and ledger	...	...	...
	291	0	0
	510	10	0
	219	10	0”

And by Schedule C attached to the report the various alleged payments, amounting to £510 10s., are set forth. The auditors further say, “All the back documents and vouchers were in a very mixed and disordered state, but we commenced our operations by checking all payments from the cash-book with the corresponding vouchers, and, after considerable trouble, succeeded in obtaining vouchers for nearly all the entries in the cash-book, except those enumerated in List ‘A,’” so that it may fairly be concluded that vouchers for these various payments were produced to these auditors on their audit, and that they found such vouchers to correspond with payments as per cash-book and ledger.

The custody of these documents after the audit made early in October until his resignation on 6th November was left with Mr. Wylde, and soon after it was found that a number of vouchers were missing, and for the payments of 1880 to Mr. Nathan Seddon only four can now be produced. An examination of these shows that the dates quoted by the auditors are the dates of the vouchers, and that in all cases payment as per receipt on bottom of vouchers was only made months afterwards. Your Committee submitted the question of these payments to Messrs. Kember and Scott, two certificated accountants, whose report on this point is as follows:—

“For the information of the Committee, we furnish a statement of what we consider the amount of wages payable to N. Seddon from the 7th April, 1880, the time of his settlement by bill, up to the 27th October, 1881, about the time of his leaving the permanent employment of the Council:—

“7th April, 1880, to 27th October, 1881, eighty-two weeks, at £3	£	s.	d.
“Vouchers produced to us, as marked on Schedule C enclosed	...	...	...
“Amount of difference not supported by voucher	...	...	...
	246	0	0
	198	0	0
	£48	0	0

“So far the papers would go to show the Council still indebted to N. Seddon for this amount, but you will find in the discredited Schedule C the dates of 15th May, £24, and 8th July, £24. We find in cash- and bank-book paid out 16th July, wages, £24; 29th July, wages, £36. In all probability N. Seddon was paid the £48 out of these sums. We therefore conclude that N. Seddon only received from the Council the amount of cash he was entitled to, and then only, as the vouchers show, in most cases at long intervals after the due date.”

Their examination on the position will be found in the evidence. These gentlemen are of opinion that Schedule C in the report of the special auditors is valueless, since they hold that the vouchers must have been duplicates.

Various payments being shown of approximately equal amounts at later dates both by bank pass-book, cash-book, and ledger, a difference of opinion arose as to their identity with those under the schedule. Your Committee therefore caused sixteen cheques for corresponding amounts to be obtained from the bank; of these only five bear the indorsement of Nathan Seddon, while the others appear to be paid to Mr. Wylde, either by cash or through his private account.

At this interval it seems to be impossible, in the absence of reliable evidence, to arrive at any certainty, but your Committee is agreed that there is no evidence of overpayment to Mr. Nathan Seddon.