

cases, to me. There could not be any inspection unknown to me of stores in Wellington or elsewhere.

7. Could there have been any reorganization of the stores unknown to you?—No.

8. If a claim against the Government for such a service as the reorganization or inspection were made, what would be its ordinary course so far as you are concerned? Would it necessarily come to you?—I think it would, if it were for such a service in Wellington; but I should see the record of the claim in any case wherever such a service was performed as the reorganization or inspection involving a special charge.

9. Do you know anything of such a service performed by Captain Seddon, for which he might make a claim against the Government or be paid, as the reorganization or inspection of Defence stores?—I do not. He did not perform such a service.

10. Can you give me any information whatever respecting the allegations that there was a voucher for a payment to R. J. S. Seddon for the reorganization of Defence stores?—No. I have had no communication or business of any kind with Captain Seddon since the 31st March, 1903.

THOMAS FRANCIS GREY sworn and examined.

11. *The Controller and Auditor-General.*] What is your name and official position?—Thomas Francis Grey, acting for the Under-Secretary for Defence.

12. How long have you filled this position?—From the 1st October, 1902, to the 30th September, 1904, and again from the 1st July, 1905, to the present date.

13. What have been your duties in that position as regards claims against the Government for services to the Defence Department?—All claims come before me. But I was absent on leave from Christmas Eve, 1904, to the 30th January, 1905, and the claims coming to the office during that period would not, of course, come before me.

14. Would the claims coming to your office during the period from the 1st October, 1904, to the 30th June, 1905, when you were not filling the position of Acting Under-Secretary, come before you?—Yes, they would, because I was the countersigning officer—or, rather, certifying officer—for the whole period, with the exception of the period of my leave of absence already mentioned.

15. If there had been any reorganization or inspection of Defence stores for which a claim were made against the Government would you be aware of it?—Yes, fully aware of it.

16. Do you know whether there has been any such reorganization or inspection as would have justified, or could have been made the ground for, a claim against the Government?—No. There has neither been reorganization nor any such inspection.

17. If a claim had been made by Captain Seddon for such a service during the period of his employment in the public service from the 31st March, 1903, would you have seen it?—Yes, certainly, with this exception: that I should not see the claims during the period of my leave of absence. But if such a claim had been made in that interval I should, no doubt, have been told of it on my return.

18. Do you know whether Captain Seddon was employed during the period of his public service in or about such a service as the reorganization or inspection of Defence stores?—He was not so employed.

19. I shall be glad if you will explain what steps you took to satisfy you in respect of the certificate which you gave to the Hon. the Defence Minister, of the 3rd August, 1905, that a careful search of all Defence and Treasury books had been made, and no trace of claim nor payment to Captain Seddon of any sum whatever for the organization of Defence stores can be found?—I personally searched all the Defence books of account. I also searched the register of records, and I could find no trace of any such claim having been received or approved for payment. In a case like this, of the alleged payment or voucher, if such payment had been authorised it would have been approved by Cabinet, or at least by the Defence Minister. But taking precedents into consideration, Cabinet alone would approve of such a payment, and there is no such approval recorded. Moreover, my memory convinces me that, except during my absence on leave, no such approval was recorded, and, as stated before, if it had been I should have been made aware of it on my return. The search of the Treasury books mentioned in my certificate was made by the Defence Office Accountant.

ROBERT HENRY WILLIAMS sworn and examined.

20. *The Controller and Auditor-General.*] What is your name and official position?—Robert Henry Williams, and I am Assistant Accountant in the Defence Department.

21. How long have you filled that position?—I was appointed to the position three years ago.

22. Have you seen and dealt with all the claims against the Government which were received by, or passed by, the Defence Department during that period?—Yes, with the exception of twelve days during which I was absent on leave, and when I should not see the vouchers. But I should see the entries on my return.

23. Can you state positively that you know that there was not a claim sent to or authorised for payment by the Defence Department since the 31st March, 1903, for the reorganization or inspection of Defence stores?—I can say that no such claim has been received or authorised.

24. The Acting Under-Secretary (Mr. Grey) states that he gave his certificate of the 3rd August, 1905, to the Defence Minister, that a careful search of the Treasury books had been made, and that such search was made by you, and that you found there no trace of receipt of claim nor payment to Captain Seddon of any sum whatever for the reorganization of Defence stores. What was the nature of your search of the Treasury books?—I examined the Treasury books from the 1st April, 1903, to date for all charges that would have been approved by the Defence Department. I went over every item for every such charge, and found no trace whatever. The result of my search of the Treasury books was to show that they agreed with the books of the Defence Department. I looked particularly for a payment to Captain Seddon for such a service as the one in question, and the Treasury gave the name of the claimant, the particulars of the service, and the amount.