

2. The first time you saw that authority of the Acting Minister of Defence was when it came down with the vouchers for £600?—The first time I knew Mr. Clark was employed in doing duty in the Commandant's office was on the 2nd or 3rd March, 1903. I saw the authority with that. [Papers produced.]

3. What is the practice in the case of a man being engaged in the Defence Department?—Immediately the Minister gives his provisional authority it comes to us, and then we make out a form, which is signed by the Minister and sent to the Audit.

4. In respect to the Paymaster, who is Secretary to the Treasury, you would follow the same course?—Yes; the Paymaster would himself ask for the authority.

5. In respect to detention, you see by this claim of Captain Clark's 12s. 6d. a day is charged?—We do not allow detention allowance in respect to officers residing in the city.

6. Then, in reality, Captain Clark received more than he ought to have received?—In respect to that he has. The Under-Secretary did not know Mr. Clark or where he lived. He simply passed the voucher for the amount. He would not know every officer. The Paymaster passed it on the Under-Secretary's certificate. The voucher for Captain Clark's pay, together with the detention allowance, was certified to by Lieut.-Colonel Abbott. The Under-Secretary passed the voucher on that certificate.

7. You said this does not apply to the New Zealand Force [handing witness a voucher]?—This voucher is for extra pay which Captain Clark claimed. That is the £50 gratuity [referring to another voucher]. This is another £50 gratuity.

8. Then, according to the Imperial Government regulations, these are both gratuities which are only applicable to embodied militia in the United Kingdom?—Yes.

9. And Colonel Abbott, in certifying to these two vouchers, is wrong according to the military regulations?—Yes.

10. Will you take that claim [handing witness a document] and point out how you took exception to it?—Well, it is for detention allowance all round for the long period that Mr. Clark was employed.

11. Your statement is contained in this letter. [Letter produced. Witness read letter and was questioned as he proceeded.] Now, according to this voucher for £217 7s. 6d., what is the amount of detention money?—£116 17s. 6d.

12. That is wrong?—Yes. The £16 5s. detention allowance is also wrong.

13. Is this one of the vouchers you got with the A, B, C?—Yes, I think so.

14. Now, are you aware there has been a voucher submitted for an amended claim? Have you ever seen this before [document handed to witness]?—If it has our stamp on. This is a duplicate.

15. Did that come down to you for payment from the military section of the Defence Department?—Yes.

16. Did you ask for payment of this?—It was submitted for approval.

17. And the result?—We declined to recognise the payment for the amount.

18. Now, you put this statement into my hand yesterday. [Document handed to witness]. Will you just explain the item, £23 5s.?—This is for New Zealand furlough, which is a bonus paid by the New Zealand Government over and above the gratuities the men received from the Imperial Government. The Paymaster in a great many cases pays this furlough to men on leaving the ship on arrival in New Zealand. Mr. Clark received 15s., New Zealand furlough, for the rank of captain instead of 11s. as lieutenant. His rank is in dispute—that is, the higher rank. He should only have received 11s. The £37 10s. special war gratuity for the rank of lieutenant has been paid, and we hold the receipt.

19. And if Mr. Clark says he has not received it, that is not correct?—It is not correct.

20. Next item?—"Received for making out discharge certificates and handing over the books of Ninth Contingent, &c., 25 days' pay and 25 days' detention allowance: total, £40 12s. 6d. Received gratuity under pay-warrant B." This gratuity is over and above the pay.

21. Mr. Clark got £191 16s. 8d. under that warrant?—That gratuity would apply to any officer if he served under the conditions laid down in that warrant. It is over and above pay.

22. Now, did that period at £2 per week cover the time he was working in the office?—Yes. This last gratuity has been computed and paid down to the 28th February, 1903.

23. Then, if he received £4 per week now, it means he received from us £6 per week?—Yes, practically.

24. Give the latter part of it: "Mr. Clark was promoted to Lieutenant on the 31st March, 1901, and it is assumed he drew pay for that rank (15s. per day) from that date until date of arrival in New Zealand. We do not know how officers' accounts stand at all. He is only claiming the difference in pay between the rank of lieutenant and captain—that is, from the 23rd May, 1902, to the 18th August, 1902, end of oversea period of pay on return to New Zealand. He was promoted Captain on the 13th April, 1902. He has amended (without prejudice) his claim for pay as a captain while working in the Commandant's office. Mr. Clark first sent in his large claim for duty in the Commandant's office on the 2nd March, 1903. On the 5th August, 1903, we offered Mr. Clark three months' pay at the £4 per week in settlement." At all events, there is no dispute about that 15s. a day?—No.

25. And what does the 15s. per diem make altogether?—£379 10s. Mr. Clark only claimed the difference between the rank of lieutenant and that of captain. Captain Clark was promoted in 1902. He has amended, without prejudice, his claim to pay as captain.

26. There is not anything you have to show he was commissioned as captain in the Imperial forces?—No.

27. But he has been allowed to draw pay as captain (while he ranked as lieutenant) while making out discharge certificates and handing over books of Ninth Contingent, £40 12s. 6d.?—Yes.