

particulars with regard to your original claim for £5 2s., extra-duty pay as ship's adjutant, it will not be necessary for you to fill in the forms sent. (3.) As to the deduction of £6 4s.: This is in accordance with the Army Council's ruling that you are not entitled to the rank of captain. (4.) As to the deduction of £5 5s.: If you will look up your copy of claim sent in by you for £102 13s. 4d., you will find that you have asked for double payment for the period mentioned—viz., 12th to 18th September, 1902, and you must know that double payment for the same period cannot be entertained. The amount was, therefore, struck out of the claim. I have further to inform you that credit for thirty-one days' furlough at 11s. per diem as lieutenant has been given in your account, and that the whole of the circumstances of your case have been transmitted to the War Office for the consideration of the Army Council. As the matter is now entirely out of the hands of the Government of New Zealand, I regret that nothing further can be done until the decision of the Army Council has been received.—I have, &c.

"JAS. B. HEYWOOD, Paymaster-General."

That completes the correspondence. The next step is the submission of the petition to Parliament. That takes the matter up to date, from where we left off last session. Now, I am going over these deductions as shown by the Paymaster-General, amounting to £56 12s. 2d. The first is, "To amount included in New Zealand furlough, 12th to 18th September, 1902, seven days at 15s. a day, £5 5s." I have already read my reply to the Paymaster-General, showing that I was entitled to thirty days New Zealand furlough when I returned to New Zealand, irrespective of whether I worked in the Defence Department or any other Department of the colony, or in private service. The mere fact that I happened to be employed in the Defence Department for the period of that furlough should not, in my opinion, militate against my getting the complete amount of furlough I was entitled to. I pointed out to the Paymaster-General that, in the event of officers or men being employed in civil work, they could get the furlough-pay. But, because I happened to go into the Defence Department on my return to the colony, and it was known, the furlough allowance was proposed to be taken away with me. I do not admit that deduction of £5 5s., and still adhere to what I have said, that I am entitled to it whether working for a Department or otherwise. The next item is, "Overpayment on gratuity 601b, 19/9/02 to 28/2/03, equal to 163 days at £100 per annum, £44 13s. 2d." In connection with that, I will read to you Article 601b out of the Royal Pay Warrant, "601b. An officer, whether of the Reserve or not, specially taken into employment during a national emergency, shall, upon ceasing to draw full pay, be entitled to a gratuity of £100, and after the first twelve months of service a further gratuity of £50 for each year of service at home and £100 for each year of service abroad, portions of the year being calculated at the same rate, and subject to the following conditions: (1.) That the officer serves for the full period of his engagement, or of the emergency in respect of which he is employed, unless a shorter period is specially approved by the Secretary of State. (2.) The gratuity shall not be given to an officer paid under Article 488, (b)." We had better read that to make sure that it does not apply in my case: "488, (b). In the case of retired officers under the age of fifty-five, whose names have been previously entered, under Article 666, on a special list of officers who are prepared to accept employment whenever their services may be required in connection with active operations in the field, and who are so employed as medical officers with hospitals at the base or on the line of communications, pay officers, embarkation and disembarkation officers, station commandants, ammunition column officers, special service and transport column officers, commandants of military police on the line of communications, commandants of labourers, commandants of interpreters, or in minor posts on the line of communication, a consolidated salary not exceeding the amount of the officers retired-pay by more than £300 a year, or not exceeding £300 a year if he has no retired-pay. Travelling-allowance, field allowance, and forage allowance shall be issued in addition to the above salary, if these allowances would have been issuable under the allowance regulations had the officer so employed been on ordinary full pay. The salary shall be issued for a period of not less than twelve months, and shall be fixed by our Secretary of State, with the concurrence of the Lords Commissioners of our Treasury." That is paragraph 488, and I have read it to show that it has no connection with 610b. Paragraph 3 of 601b says, "The following officers are eligible, provided that they fulfil the above conditions: Re-employed retired officers; officers of embodied militia, except those of the permanent staff; officers of auxiliary forces employed upon army service; ex-officers or civilians appointed to military positions in Imperial forces, or in colonial forces." That, with what I previously read, is the whole of Article 601b, and I have read it at length to point out that, in my estimation, there is nothing in it to show that the gratuity on my return to New Zealand, or on the expiration of my furlough, or at any other period was not due to me. The claim for the gratuity of £100 per annum to the 28th February, 1903—the period during which I was last employed in the Commandant's office—was made solely on the advice of officers in the Pay Branch of New Zealand. That was stated at the inquiry before the Committee last year. I stated it at great length, and Mr. Williams and Mr. Simpson gave evidence on that matter. I would submit that I claim that, solely on the advice of officers of the Pay Branch of New Zealand, and which I still adhere to.

36. *Mr Taylor.*] Did not one of the officials state that he instructed you to put that claim in?—Yes. My evidence on the subject will be found in question 159, page 36, of the report of the proceedings taken last year. In asking a question the Right Hon. R. J. Seddon said, "I will ask the shorthand-writer to read out to you a portion of Captain Clark's evidence. In his statement here he said that he went to you in reference to a claim which he was about to make for a gratuity, which claim covered the time from his arrival in the colony to the 28th February last, while he was working in the office. But you will hear what his words were." (The shorthand-writer read the following extract from Captain Clark's statement: 'I did not think I should obtain the gratuity for the five months, and when I made out the voucher I went down to the Pay Office and inquired as to what I had better do—whether it would be obtainable up to the 28th