

him what had occurred in my own case. I had been a contractor in this colony, and I told him that myself and partners had had to import, at our own cost, a large amount of labour to get the market steady. He told me that he had written Home two or three times about the matter, and that he intended to take steps to have the proper class of men sent out.

660. *Mr. Murray.*] Was this contract for immigration treated as a separate concern?—It was treated so far as a separate concern, but a condition in the immigration contract was fulfilled which gave the right to the Government to deduct from the other contracts the amount of the promissory notes issued by Messrs. Brogden under the immigration contract.

661. Had this 15 per cent. which the Brogden's got above the estimated cost by the Government Engineer anything to do with recouping them for any loss which they might sustain through the non-fulfilment of immigrants in paying their promissory notes?—It had nothing whatever to do with it. They had to provide their own labour from whatever source they pleased. The matter of importing their labour was not recognized in any shape or way, so far as these works were concerned, except that the amount due to the Government for their promissory notes was to be stopped from the contract payments.

662. Then, why did Messrs. Brogden get 15 per cent. more than other contractors?—Because it was held at the time that, coming out from England, as they were put to a very large expense, their works being broken up—a bit in this part of the country, a bit in another—they were under larger expense than any other contractor. It was also held that any contractor taking the work would have to get labour somewhere, of a kind specially suitable for public works.

663. Would other contractors not have to get labour as well as Brogdens?—Doubtless they would, and doubtless they provided in their own calculations for getting labour.

664. *Mr. Turnbull.*] You said that 15 per cent. was paid over and above the estimated cost of the works: I want to know if the 15 per cent. alluded to is the contingency which is put in in all tenders?—No; the estimates included the ordinary contingencies allowed to contractors; and then there was an additional 15 per cent. paid to them.

665. *Hon. Mr. Dick.*] You say you gave Brogdens work at more than the Engineer's estimate, and then added 15 per cent. to that estimate?—I gave them more than the Engineer's estimate, and the percentage in addition. The Engineer's estimate afterwards turned out correct. The public tendering showed it to be so.

666. Did you consider that the colony owed something to Messrs. Brogden, in consequence of the engagements entered into with them by Sir Julius Vogel?—Yes, of course; and Parliament, after considering the matter, directed the Government to find them a million's-worth of works. The firm's difficulties, arising from all sources, were taken into consideration in the arrangement of all their works. You will find, from the evidence of Mr. Henderson before the Committee of 1873, that due and full consideration was given to all these points.

667. And, after you got tenders from others, you found they were 20 per cent. less than the price paid to Brogdens for their contracts for similar works?—Yes.

668. Were the contracts performed by other contractors quite as well carried out?—As a rule, they were equally as well done.

669. With 20 per cent. less paid for them?—Yes.

670. In some respects, your position as a contractor was similar to Brogdens—that is, you took a large contract from the Provincial Government of Canterbury?—Yes.

671. And on your arrival in the colony you found you could not carry it out without interfering with the labour market?—It did interfere. In the first place, my partner came down, and was advised in the same way that Mr. Brogden was. He was advised by the then Superintendent, Mr. Moorhouse, that we should have a great deal of trouble if we did not import men ourselves; upon the strength of that, I brought down with me 100 men, and we afterwards imported 300 more. We brought more than 400 men into the colony and did so entirely at our own cost. In the settlement of accounts we suggested that bringing so many men into the colony at our own cost was a reason why we should receive reasonable consideration; but it was refused point blank, in any form or shape.

672. Mr. Brogden arrived here before you became Minister for Public Works. The Government suggested to him to consult you about the labour question?—Yes.

673. Did you inform him of the difficulties your firm had had about labour?—Yes.

674. Told him you had imported labour at your own cost?—Yes.

675. Are you aware whether Mr. James Brogden took action on your advice?—Mr. James Brogden told me that he had at once taken action upon it, and advised his firm at Home to send out men.

676. Then your idea at that time was that Brogdens were acting similarly to what you had done—that they were bringing out their men at their own cost?—Certainly.

677. *Captain Kenny.*] Did Messrs. Brogden tender for any other works besides those for which they sent in private tenders?—Yes; they tendered in their own names, and tenders were also received which Government understood to be Messrs. Brogden's, though they were in the name of gentlemen working with them. They tendered by themselves and agents for some £870,000, by public competition.

678. What difference was there between their tenders and the tenders which were accepted?—An average of 20 per cent.

679. Can you state the value of the works done by Messrs. Brogden?—About a million: it might be more; but their contracts amounted to about a million. The prices which I referred to before were prices of contracts of other contractors running concurrently with those of Messrs. Brogden, and would average 20 per cent. less.

680. Reference has been made more than once to the discrepancy between the evidence of Mr. Henderson and Mr. Carruthers—can you explain that discrepancy?—It is very easily accounted for. Mr. Henderson, surrounded as he was by gentlemen on the Committee of 1873, who, on behalf of the Government, made these contracts, himself being a partner, and therefore interested in them, stated that all these matters had, in arranging the prices given for the work, received due and full consideration. Mr.