

You will remember that, in handing in the statement of contracts tendered for unsuccessfully by Messrs. Brogden, I was very careful to state that I was not aware whether those sent in by Mr. Smyth and Mr. Gwynneth, who acted as agents for Messrs. Brogden, were on account of the firm. At the time, owing to the large amount of interest their Mr. Henderson took in connection with some, if not all, of these contracts, the department was led to suppose that they really were Messrs. Brogden's own tenders; but as he denies the fact there is an end to the matter, except that it is as well now to point out that, if these contracts are taken out of the statement I put in, the remainder show a larger percentage against Messrs. Brogden than if they were left in.

I have applied to the Public Works Department, since I have read Mr. A. Brogden's letters, for accurate information on the subject of these contracts, having only spoken from memory when giving my evidence, and now do myself the honor to forward you a statement supplied by the Accountant of the department, on reference to which it will be seen that I was perfectly justified in giving the evidence I did on the matter; and the fact remains that the works referred to were carried out for the sums named. And I may now be permitted to add that, with the exception of the Pakuratahi contract, all of them were let at prices within a trifle of the estimate of the Engineer-in-Chief, Mr. Carruthers; and in that particular case I am in a position to state that, had the management been good, and the contractors acted with ordinary prudence, it would have been carried out without loss either to the original contractors or their sureties—evidence to that effect having been given before your Committee on a previous occasion. Doubtless Mr. A. Brogden has obtained the information on which he has based his letter under reply from the same sources his firm did when tendering and carrying out their works, and have been equally misled *now as then*.

Mr. A. Brogden's statement, that I was only in a position to speak of the contracts that were let to his firm during my term of office, amounting to £192,000, is too absurd to require refutation, seeing that I was Minister for Public Works during the whole time all their contracts I referred to were carried out.

Mr. A. Brogden, while he refers to Mr. Carruthers's statement as to the percentage added, which I fully explained to the Committee, is particularly careful to omit all reference to his own partner's (Mr. Henderson's) evidence before the Committee in 1873, when, as I stated to your Committee, he was in the presence of all the gentlemen who had arranged the details of all their contracts, and there admitted that every consideration had been given to all the difficulties they had to contend with, including the labour question, in determining the prices paid to the firm. And I submit that Mr. Henderson's evidence on that occasion is of far more weight, given, as it was, at the time everything connected with these contracts was fresh in the memory both of himself and those who had made them on behalf of the colony, than anything that can be said now, after the lapse of eight years.

I regret that Mr. A. Brogden should have been led, by those who probably knew better, to make the remarks he has in his letter under reply regarding myself; but as all my connections with these matters were purely of an official character, and as Minister for Public Works for the colony, I decline to notice them in any other than in the manner I have herein.

I have, &c.,

The Chairman of the Public Petitions Committee.

EDWARD RICHARDSON \*

#### CONTRACTS for which MESSRS. BROGDEN and SONS Tendered Unsuccessfully

##### *Extract from Letter by Alexander Brogden to Public Petitions Committee.*

"Of the remaining eighteen [contracts], at least nine were let to parties who failed, and the works had to be completed at the cost of the guarantors or the Government."

(a.) *Wanganui Contract*.—Let to W. Strachan on 8th October, 1873. Taken out of his hands by Government on 25th March, 1875, and completed by the Government, at a cost of £2,151 9s. 10d. in excess of the original contract sum.

(b.) *Hutt (Permanent-way Contract)*.—Let to C. McKirdy. Contract sum, £2,125. By Order in Council additional work, amounting to £2,900, was authorized. Both Messrs. Brogden and Mr. McKirdy appear to have tendered for the same work, and, had the contract been let to Messrs. Brogden, they would of course have been paid for the extra work.

(c.) *Wangaehu Contract*.—Let to Walton Pell in April, 1874, by whom contract was assigned to Bank of New Zealand in March, 1876, and completed.

(d.) *River Contract*.—Let to C. McKirdy, and completed by him.

(e.) *Pakipaki Contract*.—Let to C. McKirdy, and completed by him. A bonus was promised if work was completed to time, but, as completion was some weeks over time, bonus was not allowed.

(f.) *Pakuratahi Contract*.—Let to W. F. Oakes, 2nd September, 1874. Assigned to J. E. Nathan, 9th August, 1877, and completed by him.

(g.) *Port Chalmers Contract*.—Let to W. Strachan, 9th September, 1874. Strachan declared bankrupt, 12th July, 1875. Work relet to Allen and Kingstreet, who completed the contract, at a cost of £2,163 3s. 1d. less than Strachan's original contract.

(h.) *Incline Contract*.—Let to C. McKirdy, 1st October, 1875. Assigned to sureties (Young and Greenfield), 11th August, 1877, and completed by them.

(i.) *Marton Contract*.—Tender for this work was given in by J. D. Fraser for £19,356 0s. 6d., but he failed to comply with specification in his tender, and his deposit was forfeited. The contract was let to the next lowest tenderer, C. Stewart, for £19,957 11s. 11d., and duly completed by him.

##### *Further Extract from Alexander Brogden's Letter.*

"The Deborah Bay contract was the subject of public notoriety, and a large sum had to be added to the accepted tender."

(j.) *Deborah Bay Contract*.—Let to McKenzie and Co. Only portion of Deborah Bay tunnel was to be lined with brick in the original contract, but it was found that a great deal more brick-lining was required. The original contract was determined, and a fresh contract entered into with McKenzie and Co. to complete the works of the Deborah Bay contract. The further work of lining the tunnel was made an extra to the contract. The contractors, by agreement, received a bonus of £2,500 for completing works within contract time.

The tenders for the original contract (including Messrs. Brogden's) did not include the extra work for the tunnel.

Public Works Department, 13th August, 1881.

W. A. THOMAS,  
Accountant, Public Works.

\* The statement on page 47 was referred to the Public Works Accountant, and returned lettered A to I inclusive with the following memorandum.