

3. The matter of the letter, you hold, was entirely based upon the information which you received on this occasion?—Certainly I should never have dreamed of sending such a letter if I had not got that information.

4. It was not based on your own observation?—Certainly not. Whenever I have gone through Addington I have thought the work was going on in a very satisfactory manner. Some years ago I had the honour of presiding over that shop, and the manner in which the men discharged their duty then was eminently satisfactory.

5. *Mr. Roberts.*] You think now that the work is carried on in a proper manner in the shops. You are not of the same opinion as when you wrote that letter?—That was my opinion when my mind was very much excited through receiving information from a man whom I considered fully competent to judge as to the manner in which the work was conducted on that particular occasion. I have full reliance on the reports I have received from Mr. Henderson, the foreman of the boiler-shop, and also Mr. Cole, the foreman of the blacksmiths' shop, in addition to which, of course, there is the Workshops Manager's report, which is very explicit. If you desire I can let you have copies of these reports.

6. I think that in your letter you stated that the work was not carried out as expeditiously as at Petone or Hillside. Do you still hold that opinion?—I came to that conclusion on the strength of the information received. I assumed to a certain extent that, if this so-called Government stroke was prevalent at Addington, the work of the other shops in the Dominion must be more cheaply put through. But I would not lay too much stress on the reference made on that occasion; it was for the Chief Mechanical Engineer—a hint to him to look into the cost of production of work by the various workshops—that is, Petone, Hillside, and Addington—for similar work.

7. Has any such comparative statement been received?—It has been done from time to time, but has not been done recently. Work varies very greatly, and it is not an easy matter to make comparisons. We largely specialise in our shops—Addington will do one class, Hillside another—and it is very difficult to make a comparison unless you make a comparison of the cost of like material produced by an outside firm.

8. *The Chairman.*] You mentioned the cost of the engines built by Price Bros. and those at Addington. Will you furnish the Board with a detailed statement of the cost of the A compound engines built by Price Bros. and at Addington, and also furnish the price of the American engines placed on the lines in New Zealand?—Yes. With your permission I would like to say that, when making my comparison on the matter of cost, I did not take into consideration whether Price Bros. were losing money on their contract or not, and, of course, that would place a different complexion on the matter. I have reason to believe that by an award of the Arbitration Court, which was adverse to Price Bros. and does not affect the Railway Department, Price Bros. stand to lose a considerable sum of money on their contract. I have no doubt that the Chief Mechanical Engineer has the permission of Price Bros. to give figures, and I think they will result in showing that the price of the engines produced at Addington will compare favourably with those produced by Messrs. Price Bros. It is only fair to the men that these facts should be elicited.

9. *Mr. Hampton.*] You admit that you sent this letter out which has been published in the papers throughout the Dominion, and which is the cause of this inquiry being held?—Yes, certainly.

10. Are the statements contained therein exactly as communicated to you by the so-called expert engineer?—Not exactly.

11. In what way do they differ?—I conveyed the sense of the information imparted to me.

12. Practically they are the same as given to you?—Yes, and in connection with that it is not a question of memory, because my informant came into my office, and immediately he went my notes and that letter were written. I had not finished writing the letter when Mr. Beattie came in. I handed them to Mr. Beattie, and said, "Mr. Beattie, this is bad reading"; and he said it was. I said, "You had better have it typed, and have an inspection and report as to the correctness or otherwise of the charges." They were charges made against the administration of the shop. Mr. Beattie did that in due course. The letter was dealt with in a rather informal manner, because it is usual for such letters to go through the Chief Clerk of the office. I thought about the matter, and concluded that it was wrong to have in that paragraph commencing "It is futile." I tried to get the letter, and assumed that it had gone through my office. Mr. Beattie, however, had it with my authority, and for the time being we could not find it. That was how the first version came out. The revised version put it quite in order.

13. Then we may conclude that the statements made in your letter are practically identical with those made to you by the so-called expert?—That is quite correct.

14. Can you tell us how long the interview with this so-called expert lasted?—It might have been half an hour.

15. Can you give nothing nearer than that?—No. We were talking about other matters as well. I should say at the very outside the interview would not exceed half an hour; I do not think it would be half an hour.

16. Are you satisfied that this gentleman who had the interview with you had all the qualifications of an expert engineer?—He had all the qualifications to judge as to the proper working of the boiler-shop.

17. That is not what I am asking you. Are you perfectly satisfied he had all the qualifications of an expert engineer?—He had the qualifications of an expert boilermakers' engineer.

18. He was a boilermaker—is that what you mean?—He had the qualifications of a boilermakers' engineer.

19. What do you call a boilermakers' engineer?—You have men who call themselves engineers, and who are not in the ordinary sense mechanical engineers.