

the contract. It was not a question of the £100,000. It is immaterial to me whether the contract is broken or proceeded with, but at the time I was urging on Sir Arthur Guinness and Mr. Graham to oppose any application, for the reason that the people on the Coast wished to see the tunnel pierced within the contract time.

115. Then you were not concerned whether it was a matter of the contractors getting profit or suffering a financial loss, and thereby coming to a complete standstill? In both cases you were equally against their being relieved from the contract?—No, I am not, for the reason that I assume they have plenty of cash. There is the fact of their having £300,000 to draw.

116. *Hon. Mr. Fraser.*] But they have not got that?—They have to a certain extent; I assume they have to a certain extent.

117. *The Chairman.*] They have to give £300,000 worth of work for that before they get it?—Just so.

118. *Mr. Reed.*] Will the workmen wait for their wages until the completion of the contract and the whole of the money is paid?—I could not speak on behalf of the workmen, for the reason that I am not identified with them.

119. But can you not see that wages must be paid every fortnight?—That is so.

120. The wages-money has to be found, and no advance payments will be made by the Government until the work is done. Therefore they must have capital over and above what they expect from the Government, otherwise they cannot carry on?—I realize that Mr. McLean is a good financier, and I assume that he could finance as the work goes on by reason of this money coming to him eventually.

121. Were you opposing the breaking of the contract on account of the increased price that you thought Mr. McLean was going to get, or was it simply because you did not want to see the contract stopped?—Because I did not want to see the contract stopped. I am not opposed to Mr. McLean receiving a higher price—in fact, I should like to see him receive sufficient so that he can proceed with the tunnel; but in the interests of those coming behind us, I want to see the tunnel proceed as fast as possible. You asked me a question with regard to the published paragraph. In the same *Canterbury Times*, about twelve months after the conference, there appeared an interview between the editor or a reporter and Mr. John McLean, giving a detailed account of the progress made with the tunnel. It pointed out the good relations that then existed between the contractor and the employees, and the statement was made by Mr. McLean that he expected to have the contract well on the way within the contract time. I also desire to say this: that I would like you gentlemen, before you consider the evidence of Mr. McLean, to take it on oath. I would also ask you to call Mr. Vickerman, as I should like to put a few questions to him to refute the statements that he made.

122. *Mr. Seddon.*] When did you first meet Mr. McLean?—I think, about August, 1908.

123. Was that at a conference?—It was at a meeting, and we suggested a conference. It was proposed by one of the workers—I think it was Mr. McLean's shift-boss—that Mr. McLean and I constitute a conference to deal with the matters then in dispute. But Mr. McLean said, "I positively decline to sit on any conference at all. I will have nothing at all to do with it or with the Arbitration Court. I will not be bound in any shape or form by any Court." That was the statement. You will find it in the *Canterbury Times*.

124. Were you then at Otira?—Yes. We had a meeting in the cement-shed, when some eighty workers were present.

125. Did you afterwards meet Mr. McLean in conference?—No, I did not. He wrote me a short letter setting out what he was prepared to give—an increase to the shift-bosses and the machinememen.

126. He addressed you as president of the Miners' Union?—Yes.

127. Then the proceedings in the Arbitration Court followed?—They followed in November, 1908.

128. Had you any feeling against Mr. McLean?—None whatever. I have always respected Mr. McLean and held him in the highest esteem.

129. As to your conversation with Baghurst, how did it take place? Did he approach you about this matter?—No. As I said, I was soliciting information with regard to the conditions at Otira, for the purpose of using it in the Arbitration Court.

130. For what purpose?—For the purpose of building up an award; and this statement was made to me by Mr. Baghurst, he thinking that it would be of some use in the Arbitration Court.

131. Did you see Baghurst at Otira?—Yes.

132. Was it in the tunnel?—No, in the hall there.

133. You had a general talk about other matters before this particular question cropped up?—Yes; he and I looked about selecting people who might give evidence in the Court.

134. Was this the first occasion on which you heard of the alleged plans of Mr. McLean?—Yes.

135. How did you come across Mr. Jack's statement? Did he voluntarily give that to you?—At the same meeting—for the reason that I asked him.

136. Was it a meeting where other miners were present?—No.

137. Just the two of you?—That is all. We had a meeting in the afternoon. I asked the gentlemen present to pick out the best witnesses they could find. There were about half a dozen proposed, and Mr. Jack was one. After the meeting Mr. Baghurst came, and I said, "I will take each one's statement in order." I had taken their statements, and Mr. Baghurst made this statement to me, which he said was given to him by Mr. McLean at the time. He said, "Will this be of any use to you in the Arbitration Court?" I said, "No, but it will come in useful afterwards if there is an application made for the cancellation of the tunnel contract or the stoppage of the tunnel."

138. Was Mr. Jack then secretary of the Miners' Union? There was a union at Otira then, was there?—No, he was not secretary then.