

4. And afterwards become bankrupt?—Yes.
5. At what time?—About four or five months after he commenced the building.
6. Don't you recollect when? No, I do not. It might possibly have been longer than that.
7. When you heard what had happened to Smith—that is, his failing—did you receive anything from anybody relative to the contract?—I think I got a letter from Mr. Clayton. I am not sure, but at all events I was sent for.
8. In consequence of that, did you see Mr. Clayton?—I did.
9. State, as nearly as you can, what took place.—He said, "Smith has gone through the Insolvency Court; what is to be done about Government House?" If you could see what I said before the Select Committees, it would show you what took place. I cannot say more than that. It was just this in a few words: Mr. Clayton said something must be done, and he said "You won't lose any money, and if you like I will carry on the work, and let Ben Smith go. Give me £100 to pay the wages, and it will be all right." I gave him a cheque for the £100, and I went on then until the building was completed.
10. Did anything further take place at that meeting?—No; that was all, I think.
11. After that, who carried on the work?—The works just went on as they were before. Mr. Clayton said, if I remember right, "You had better send to Sydney and Melbourne, and all parts of the Colony for material. Don't let it stand for that." I did send to Melbourne and all parts of New Zealand, and put the material on the ground in a few months.
12. Did you see Mr. Clayton at any time before the insolvency relative to the contract?—Yes, we had conversations twice or thrice a week about it.
13. Any conversation as to interfering with the contract?—No. Nothing was said about me taking the contract, before the insolvency.
14. *Mr. Attorney-General.*] You do not say that no conversation took place between you and Mr. Clayton relative to Smith's going on with the work?—Of course there was. Many times he said "Smith is not a man of capital to go on with the work."
15. *Mr. Brandon.*] Any conversation about your carrying it on?—No; not until Smith failed.
16. Then, when Smith failed, you received a letter from Mr. Clayton?—Either a letter or message, but I think a letter.
17. Then he suggested your carrying on the works?—Yes. That is how I understood it.
18. And Mr. Clayton would see to the works?—Yes.
19. Was anything said as to your carrying it on as surety or contractor?—No. I do not think there was. I have just told you, in a few words, how the matter rested.
20. You did not carry it on as surety for Smith. I mean you did not undertake his contract?—No, I did not undertake his contract. Mr. Clayton said to me, "Everything is all right. You won't lose a farthing. Instead of having to pay £1,000, you will be all right."
21. After that time, who supplied all the materials?—I did. As I said, I sent to Melbourne and all parts of New Zealand, and I have my vouchers for everything I paid.
22. With whom was the subsequent correspondence carried on respecting the progress of the works?—I think with Mr. Clayton.
23. After this, was not the correspondence carried on respecting the works between Mr. Clayton and yourself, and Mr. Smith on your behalf?—Yes; I always had a copy of anything Mr. Clayton wrote, and Smith also had one. Whatever he wrote to me he sent a *fac-simile* copy of to Mr. Smith.
24. And in reply, Smith always signed for you?—I think so. Smith, of course, and Mr. Clayton arranged about anything necessary for the works going on.
25. What was the amount of the original contract and the expenses?—The contract was £10,583, and the extras, £1,315 5s.; making together £11,898 5s.
26. You have received £11,471?—Smith and I have received that on account of the work.
27. In the meantime, until the completion, Smith acted as builder?—Yes.
28. Did you find all the money for the labour, and supply the materials?—Yes.
29. Were you in the habit of seeing Mr. Clayton during that period?—Yes, every few days.
30. Did any further conversation take place between you and Mr. Clayton after the first interview as to the mode of carrying on the works, with respect to the liability?—No; I do not think so. I said to Mr. Clayton, several times, that the buildings were costing a good deal of money. I was several thousand pounds in advance then.
31. Was reference made at any time to the bond?—No; I do not know that there was.
32. Any reference at anytime to you, carrying on as surety, to complete the contract?—No; I do not think there was.
33. Was it understood by you from the first interview with Mr. Clayton about carrying on the works after Smith's bankruptcy, that you were carrying on on your own account as contractor?—I can hardly say that, but I suppose you would infer it. I carried on when Mr. Clayton said I should not lose a penny by it, but I did not understand that I was contractor.
34. After that conversation you had no written contract—no further explanatory conversation as to the mode in which you were carrying on; that is to say, that you supposed you were carrying on to complete Government House, independent of the original contract?—With a full understanding in my own mind that I was to be compensated for every shilling I spent on the place.
35. Independent of the original contract?—Yes.
36. *The Commissioner.*] You say you understood that you were carrying on the work outside the contract?—Yes.
37. That the contract was virtually broken, and that Mr. Clayton employed you, in fact?—That was my understanding.
38. Now, on what grounds did you understand that?—Mr. Clayton just said to me, "If you carry on, you won't lose a half-penny." That was just the grounds I went on, and advanced the first money, and carried on ever afterwards.
39. *Mr. Brandon.*] Did any conversation ever take place between you and Mr. Clayton as to excess over and above the contract when you ascertained that the amount exceeded?—As I said before,