

tractor, Mr. Ben Smith, consenting, and upon giving your own bond, and two approved sureties, in form approved by the Attorney-General, the Government will advance the sum of £1,500, which will absorb the amount of the bond required. Under the existing contract the contractor is liable to a penalty of £20 sterling per week after the 15th October next. A fresh bond will be required to complete the building on or before the 24th day of December next, without prejudice to the existing one." Did you ever write to the Government saying it was absurd for them to be asking for these bonds?—It is very possible, but I do not know that I ever did. These are all late letters, are they not?

281. This was on the 28th September, and the work was not finished until April?—That was only three or four months.

282. Did you make any protest against this view of the Government?—I did not.

283. On the 11th November, 1870, you wrote to Mr. Clayton asking him to get you an advance of £2,000; and on the 17th November, Mr. Clayton wrote you the following reply:—"I am directed to inform you, in reply to your application for an advance on the new Government House contract, that the Government are of opinion that, for reasons connected with your position as surety for carrying out the contract, the safest course is to adhere to the contract." Did you not think from that that it was considered safer to adhere to the contract?—Very possibly.

284. You recollect the last payment being made?—Yes.

285. You recollect you wanted to get the last payment?—I think so.

286. Do you recollect this deed, in which you recite that you had received notice as surety that Mr. Ben Smith had failed in his contract, and that you as surety were to carry it on?—I put my name to that without prejudice in the matter.

287. Certain objections were made to the last payment on account of Ben Smith's insolvency, and the assignments to Turnbull, Reeves, and Co.?—Yes.

288. Was not that deed in consequence?—Possibly. I don't think I ever read it.

289. It was very carefully prepared and considered, and sent down to your office, and lay there for several days?—At all events I never read it.

290. Does it not recite as a fact that you had received notice that Smith failed?—As far as that deed was concerned, it was to get the £2,000. I thought nothing of that.

291. On the 4th of April, 1871, immediately after the indemnity bond, you came up and signed a receipt for £2,105 17s., in full payment of the accounts for that sum attached, without prejudice, and subject to any claim by Mr. Smith or Mr. Martin for alleged extras and deviations from contract, for which it is asserted that they, or one of them, are or is entitled, but disputed by the Colonial Architect. Do you recollect that?—That was just to get the money.

292. *Mr. Brandon.*] Was it not because it transpired on Smith's commencing the work that he had not command of capital, that he requested you to become security to the Bank of Australasia to the extent of £500?—Of course it was. He would not have asked me if he had money to go on.

293. Was not the amount due by Smith to Clayton for which the bills, with the exception of £25, were given, part of the percentage that Mr. Clayton was entitled to under the contract?—I believe it was. Mr. Clayton told me it was.

294. And it was to oblige all parties that you put your name to that bond?—That was just it.

295. You have said that after Smith failed, and after a conversation with Mr. Clayton, you undertook to carry on the works. Why did you continue to employ Smith? Was it not because he knew all about the contract and the prices?—He knew all about the contract and the building, and I thought it was better for Mr. Smith to remain just as he was before.

296. Did he not, under those circumstances, simply act as your agent?—Well, I cannot say that. I considered him as my servant there, and he did anything I told him, and that was all.

297. You are not an architect or builder yourself?—No; I know nothing about it.

298. Did you not supply materials as Smith considered necessary?—I did.

299. I think you said that in using the materials that were on the ground at the time of his insolvency, you had not charged for those?—I have not.

300. A great many were not supplied by you?—A great many.

301. A great many belonged to Turnbull, Reeves, and Co.?—I have not charged for them. All I took away I have given credit for.

302. I think you say, that in the conversation with Mr. Clayton there was no specific contract made; nothing in fact alluded to in reference to the work, other than that you were to carry on and be paid?—Not that exactly, but that I should not suffer loss.

303. Were you aware of the sixteenth clause of the contract with Smith?—Indeed I was not. I never looked to it.

304. I cannot presume that the Government and their architect were ignorant of it. At all events, the contractor became insolvent, and then the architect became empowered to carry on as he pleased. There was nothing further, then, in that conversation?—No, nothing.

305. You made advances, and you got materials, as you say, in the cheapest way. Being an owner of vessels, you were able to get the materials deposited on the ground at a cheaper rate than any other person could have done?—I believe they were.

306. Have you charged the Government with anything more than the simple cost?—No. The steamers were not all mine, and I was obliged to charge freight in some cases.

307. You have seen the correspondence between Mr. Clayton and Mr. Smith?—I believe I have seen some.

308. Are you not aware that Smith always signed for you?—Well, I was aware of it. Sometimes I did see him signing for me.

309. By whom was the plasterers' contract entered into?—I went down to Canterbury and took Smith with me, and we engaged them there.

310. Did you sign the contract?—I did.

311. Was it personal on your part?—Yes. Smith simply went down to see the plasterers, and what the work could be done for.

312. In the dispute with them you understood that they measured the work differently from what they ought to have done?—Yes.