

75. Mr. Carruthers's evidence from question 146 to question 169 deals with this very question. He says, especially in answer to Mr. Richardson, "When these prices were settled, was the rate of wages and the number of hours per day taken into account?—Nothing was absolutely stated as to the rate of wages, although the rates likely to prevail are usually kept in view when such works are to be considered. The prices were settled principally upon the rate paid for other works. I never said anything, and I am pretty sure the contractors never said anything, that would lead to the belief that an increase in the price of labour would lead to any claim for compensation. Was there any allowance made, or was it taken into consideration in fixing these prices, that the contractors were about to import labour into the colony?—No, it was not expected that the contractors would have to import labour, because it was understood at the time that the Government was going to import a great many immigrants into the place, and it was supposed that that importation would be sufficient to keep prices down to prevailing rates. I see by all the contracts that an allowance of 12½ per cent. was made in name of contingencies; what was that allowance intended chiefly to cover?—It would cover superintendence of the works by foremen, and accidents to the works, tools, &c. Was that allowance made outside the 10 per cent., and irrespective altogether of it?—Yes, it would be outside of that.

*Mr. O'Neill.*] In arranging these prices, did you make any allowance for any loss that might fall to the Messrs. Brogden by the introduction of immigrants?—No. *Mr. Carrington.*] Was there no difference made in the case of the contracts given to the Messrs. Brogden regarding contingencies and allowances as compared with contracts given to other parties?—No; contracts have been let to other parties in the same manner as to Messrs. Brogden, but only by public tender. Where the public are allowed to tender for the work, the contractor includes contingencies in the estimated cost. Of course the contingency is provided for whether it be put down as such, or simply included as a first price. *Hon. Mr. Richardson.*] The question is, whether in your dealings with Messrs. Brogden, you recognized certain allowances which would not have been made to other contractors?—No, certainly not. *Mr. Rolleston.*] In arranging these contracts with Messrs. Brogden, were you in any way authorized to consider the question of the introduction of immigrants, or anything beyond the question of the price such as would have been considered for any other contractor?—No.

Did you consider that the contracts entered into with the Government had relation to any other purpose, especially with regard to the introduction of immigrants by the Messrs. Brogden?—No; I expected that whatever arrangement Messrs. Brogden might make would rest upon its own bottom. I knew Government intended to import labour, either through the Messrs. Brogden or in some other way. *The Chairman.*] Was your estimate not made for the guidance and information of Ministers, and in all cases was it not left with Ministers to decide upon the final price to be paid for the contracts?—Yes."—No allowance whatever was made with respect to any possible loss in regard to emigration.

76. *Mr. Bell.*] Are we to understand that you have produced all the correspondence relating to immigration which passed between Mr. James Brogden and your firm in London?—Prior to the date of the agreement.

77. How many immigrants did your firm actually send out to the colony?—There were 1,291 working-men, or 2,174 souls.

78. Under any circumstances, irrespective of Government immigration, you would have sent out 500 or 600 males?—Yes.

79. That fact has not been stated before I believe, nor before the Committee of 1873?—No, I do not think it was explicitly.

80. You have read Mr. Henderson's evidence before that Committee?—Yes.

81. He says your intention was to get immigrants from Australia, or Chinamen?—That was, with reference to the 500 or 600, they would not have been necessarily from England. We should have supplied the 500 or 600 from some market.

82. You say, in your letter to your brother, of the 22nd March, 1872, "We expect to send out immediately 150 immigrants." That was the first number you sent, and that was some time of course before you had entered into any arrangement with Dr. Featherston?—Yes.

83. And you continued to send out immigrants without any arrangement as to how you were to be repaid?—Certainly; we were doing that, and intended to do that to a limited extent.

84. How did you pay the passages of these immigrants?—I do not think we paid the passages of any. If we paid for those first, it was repaid to us.

85. That was after signing the contract? Yes; if we had failed to come to any arrangement we should have felt ourselves bound to pay for those sent out.

86. You were sending men for works you expected from the Government?—Yes.

87. Did you send any men of any other class than navvies? Yes, there were a great many agricultural labourers.

88. Can you say how many?—The majority of them.

89. All these were under engagement to you for two years?—Yes.

90. And did you engage agricultural labourers for your purpose?—Yes; they were men accustomed to outdoor work.

91. You intended to use them as navvies?—Yes; you can soon transform a good agricultural labourer into a navvy. They would become suitable very soon.

92. Were the men suitable for your works whom you engaged for two years?—They might not be immediately suitable, but they would very soon become so.

93. On the 25th November, 1871, Mr. James Brogden wrote to you that Dr. Featherston had personal experience of the promissory-note system, and that in the Province of Wellington there were £40,000 owing on these notes. I wish to know how you reconcile that with your statement that you were perfectly ignorant that any difficulty would exist in the colony in the collection of promissory-notes?—I think the letter answers the question without any answer of mine. It says, "We must be very particular as to the form in which the promissory notes are made out." We naturally thought Dr. Featherston's experience in this heavy loss would be used to put us in the right way as to what form the notes should be given in.