

555. But have the Board considered the question of letting small portions of the work by contract?—Yes, as regards the quarrying of stone; but no decision has been come to yet on the subject.

556. In the purchase of materials, such as cement, do you call for tenders?—Tenders were called in England, and the lowest was accepted; the price being 13s. 10d. per cask, delivered in Wellington.

557 *Mr. Pitt.*] What is the extent of the tender for quarrying which is now being considered by the Board?—The question is, whether 20,000 yards of quarrying should be let. The difficulty seems to be that, if the contract was let, there would be the risk of the men permanently employed on the staff of the Board being idle sometimes; because the contractors would naturally provide their own men to do their work; and if our men were prevented by bad weather from working at the breakwater they would have nothing to do.

558. *Mr. Fulton.*] Speaking from your experience as a Taranaki settler, is day labour as cheap as contract labour?—As a general rule not; but some work can be done much cheaper by day labour. Of course, in special work of this character, the contractor would have to charge a high price, in order to cover any loss he might make, owing to storms, &c.; and it might be found that he could do the work for half the amount of his contract. The Board are of opinion that they should first try what they themselves can do the work for.

559. Supposing you were letting out a contract for the quarrying of 20,000 yards of stone, do you not think you would get tenders from other places than Taranaki?—Yes; no doubt we would.

560. Are you aware that at Oamaru and Timaru the breakwaters are being made by contract?—Yes.

561. And that they get their shingle by contract?—Yes; but if the Board's engineer is a good man he can do the work quite as well and as cheap as the contractor's engineer. It depends entirely on the management.

562. *Mr. Weston.*] Mr. Rees wrote a confidential report to the Board, in which he gave an estimate of the cost of the work, did he not?—I have only been a member of the Board for a short time.

563. But have you seen this confidential report?—No. I do not recognise it, as I have told you. I have only recently become a member of the Board; but, if it has been published, I may have read it in the local paper.

564. In that report he says that, in his opinion, there is ample money in the Board's hands to carry out the breakwater to *Y Y*. Does the Board attach much value to that opinion?—No; the late Board respected his opinion, but the present one does not place so much reliance on it.

565. Then I suppose that want of confidence was really the cause of your seeking for another engineer and getting rid of him?—We considered that he had not used proper discretion in the expenditure of money belonging to the Board.

566. And you doubted his professional capacity?—We considered that the money was being wasted, owing, principally, to a want of proper organization among the men, and excessive plant.

567. You have employed Mr. Rhind?—He was selected at the instance of Mr. Rees, in England, to act as foreman of works, in placing concrete in bagging for the New Plymouth Breakwater. He had previously been foreman of works at Aberdeen, in connection with the construction of the South Pier, which is built of concrete.

568. But, in the meantime, he is acting as your engineer?—No; he is simply foreman of works.

569. He is acting practically as your engineer?—Yes; in carrying out Sir J. Coode's design.

570. In your opinion, is he competent to act both as engineer and clerk of the works?—As far as I have seen hitherto, he is a very good general foreman; but my own opinion is that the Board ought to have a consulting engineer, which it has not at present; but there is no great engineering skill required.

571. Is the Board taking steps to secure the services of a consulting engineer?—I cannot say, because all this has occurred since I left Taranaki; but I notice that the papers state the Board had the subject under consideration.

572. *Mr. Murray.*] Are jetties requisite to enable vessels to lie alongside the breakwater with safety, and also to assist in loading and discharging vessels?—I think a short jetty would be required.

573. What do you estimate the cost of such requisite jetties will be?—I think about £5,000 would be enough to provide a jetty that would enable vessels to discharge.

574. You are aware that Sir John Coode's estimate for a jetty of that sort is about £34,000?—That is a solid jetty which he provides for. I am only speaking of a short jetty, to enable vessels to come alongside, when I say that it could be built for £5,000.

575. If the balance of the £200,000 is insufficient to complete the works so that they can be used, how do you expect to obtain the additional funds required?—If we find that the money will not make the works to *Y Y*, we shall have to make it shorter; that is all. The question has not yet arisen.

576. What is the opinion of the rural districts of Taranaki about these harbour works?—There are various opinions; but the majority are in favour of the works.

576A. What would be the chief imports and exports, and what do you think would be the annual tonnage of each?—I cannot tell you what the chief imports are, but the chief exports are butter, sheep, cattle, and grass seeds.

577 *Mr. Moss.*] From whom did Mr. Rees purchase the plant in England, without Sir John Coode's approval?—The bulk of the plant was purchased from Shanks and Co., of Arbroath, Scotland. That firm supplied about £12,000 or £14,000 worth, and the rest was obtained from different persons.

578. Was the fact that the bulk of the plant was got from the firm you have named, partly the cause of the difference between the Board and Mr. Rees?—No; he made the purchase with the consent of the late Board. The members of the Board are elected every two years, and a new Board was elected last February. The previous Board, which was elected in February, 1879, gave Mr. Rees instructions to purchase any plant he thought proper, after conferring with Sir John Coode; but, as he represented that Sir John Coode was throwing obstacles in his way, and that he could not get on satisfactorily with Sir John Coode, the Board acceded to his request that he should be allowed to act on his own responsibility, and without reference to Sir John Coode. When the present Board came