

Do you remember in the year 1878 making an investigation into Messrs. Brogden's claims?—Yes, by the instructions of the Hon. Mr. Macandrew, the Minister for Public Works.

And the payment of February, 1879, was the result of your investigation?—Yes.

On what was your investigation based?—I examined the various certificates and the papers relating to the extras and the reductions in the contracts, and made my statement up from them.

Your statement was based upon the certificates of the Engineers, which were among the papers of the department?—Yes.

Including the final certificates?—Yes.

And from those papers you concluded that there was a small sum due to Messrs. Brogden?—Yes, there was a small balance due to them.

Did you find in your investigation that Messrs. Brogden had been paid all moneys which the Engineers had certified to be due to them?—Yes, so far as I could ascertain.

Have you seen the papers in connection with the Taieri contract?—Yes.

Has your attention been called to the Waiholo and Clarendon Station charges?—Yes.

Do you know whether the sum certified by the Engineer in connection with those works has been paid to Messrs. Brogden?—Yes; they are included in the amount which was paid to Messrs. Brogden in February, 1879.

Had they been paid when you made your investigation in 1878?—No.

They were part of the balance which you found to be due to Messrs. Brogden?—Yes.

Are the papers now before you certified copies of final certificates that were made for your use?—Yes; relating to additions and reductions.

On each of them you will find the word "Telegraph" written. What entries do you find where that word occurs?—I will take the papers relating to the Invercargill and Mataura contract. There, opposite the word "Telegraph," I find the following: "Per centage of cost of Telegraph allowed by Engineer-in-Chief, £136 10s." I find also that 10 per cent. is allowed for management and 12½ per cent. for contingencies, but there is nothing for contractors' profits. The same thing occurs in the Napier and Pakipaki, and the Picton and Blenheim papers.

Mr. Cave.] In making up your figures what papers had you before you?—I had three certificates.

Did you have before you the whole of the progress certificates sent in from time to time by the Engineers?—I believe I had. I had the final certificates at all events.

Are those copies of the final certificates that you have before you?—They are not complete. They are copies of the certificates for extras and reductions.

Then it is not a final certificate, but simply a final certificate of extras?—Yes.

By whom are these final certificates for extras and reductions made up?—By the Engineer of the district.

By whom were those now before you made up?—The one for Picton and Blenheim is signed by Alfred Dobson, the Resident Engineer. He was the Engineer on the works. Then the Napier paper is signed by Charles Weber, but this is not the final contract certificate. It is the abstract of authorized alterations.

What do you call the final certificate?—The final certificate is the one which has been signed by the Engineer-in-Chief or the Assistant Engineer-in-Chief.

Where is the final certificate in connection with the Taieri contract?—It is not here. There is one signed by W. N. Blair here.

Who was the Engineer of Works on that contract?—I am not aware.

Who signed the Invercargill contract certificate?—The abstract was signed by H. B. Higginson.

Was not Mr. Brunton Engineer on the works?—I am not aware.

Did you have Mr. Brunton's certificates before you when you made up these figures?—I believe I had all the certificates before me.

We may take it that you are not prepared to say that all the sums which had been certified as due by the Engineers on the progress certificates were actually paid to the contractors?—I think I may say that all the sums authorized by the Engineer-in-Chief were paid.

But I am referring to the Engineer in charge of the works?—Then I could not say. The Engineer in charge of the works merely transmitted information to the Engineer-in-Chief, and the latter never permitted alterations to be made in the works or in the plans and specifications without his approval. Consequently it is not possible for any person who may be placed in charge of the works to give interm certificates at his pleasure.

Do you recollect who was the Engineer in charge of the Waitara and New Plymouth contract?—No.

Were particulars given to Messrs. Brogden as to the manner in which the statement which you compiled in 1879 was made out?—Not to my knowledge.

Was any opportunity given to them to express their opinion on any of the items in the claim?—No.

Or was yours an entirely *ex parte* investigation?—Yes.

Without any reference to Messrs. Brogden?—Yes.

Can you explain how the sum of £7,000, which, in 1875, had been admitted to be due to Messrs. Brogden on the Oamaru and Moeraki contract, became reduced to £4,000?—I do not carry these details in my mind now.

Did you investigate the claim of the Government in reference to these penalties?—I merely took the statements that were given to me; I did not examine the details of any of them personally.

You obtained your materials from Government officers, and accepted them as correct without investigation?—Yes, without investigation into details.

Can you say whether you compared these figures which appear on the papers with those on the progress certificate?—No; the figures were compiled for me by the officers of the Public Works Department. I accepted them as they came from the Engineer, and, to the best of my knowledge, I examined all the documents, but after the lapse of four years I cannot say positively whether I did so or not.