

issued on the 22nd February, 1876, and according to Mr. Blackett's certificate there is a balance due to the contractors of £2,640 15s. 6d., of which £1,153 10s. 5d. is thereupon paid, leaving a balance due to them of £1,487 5s. 1d. That sum has never been paid. Then subsequently this document to which I have been referring, and which is designated the final certificate, is made up, in which, by some manipulation of the figures, and by the omission of items already certified by the Engineer as proper extras, and for which payments on account had been actually made, it is made to appear that Messrs. Brogden have not only been paid the commission on the deductions, but have been overpaid the sum of £2,009 16s. 5d. Now I say such a certificate as that cannot possibly be supported, because no one had a right to interfere with the certificate of the Engineer on the works except the arbitrator appointed under the contract. The works had been certified to by the Engineer under the contract, and progress payments had actually been made on them, and no one had the right except the arbitrator to alter the certificates of the Engineer in charge, or to appropriate payments made on one account to the discharge of other items of the claim. Now what do we find as to the Waitara contract? On that claim a certificate is issued, signed by Mr. Carruthers, dated February, 1876, in which the additions to the contract are shown to be £5,299 0s. 1d., and the balance due to the contractors £3,426 15s. 2d. On account of that, £2,460 2s. 7d. is paid. The balance of £966 12s. 8d. has never been paid to this day. Further than that, in June of the same year comes a letter saying, You have been overpaid on this account, the amount of which you will be apprized of hereafter. The exact amount is not stated till twelve months afterwards. But in the Public Works Statement of 1876 we find that in the estimates attached various sums are asked for on account of Messrs. Brogdens and Sons, one of them being additions to Waitara contract £5,299 0s. 1d., the precise sum stated in Mr. Carruthers's certificate, so that the money has been actually voted but has never been paid.

*Mr. Bell*: Explain to the Committee how that certificate of Mr. Carruthers's was obtained.

*Mr. Cave*: It speaks for itself.

*Mr. Bell*: Do you offer any explanation of how it was obtained?

*Mr. Cave*: Here it is. It speaks for itself. Then subsequently one of these accounts which are designated in the Public Works Office final certificates was made up. In that certificate, by another manipulation of figures, it is made to appear that Messrs. Brogden have not only been paid the whole of the additions to the contract, the whole of the commissions on the deductions and the telegraph, but are brought in as debtors—it being alleged that they have been overpaid—to the amount of £2,572 18s. 8d. Then it is expected they should be bound by these certificates, the details of which are never furnished to them, and the items of which they are given no opportunity of discussing. I say, if these accounts which were put in yesterday are carefully gone into, and are compared with the progress certificates and vouchers previously given, it will be seen in every case that no payment was actually made on account of these commissions; but that only by a transposition of the figures and appropriations of moneys to items in the claims other than those for which such moneys were paid can it be shown that this commission in either instance has been paid. For these reasons, I say, it will be an act of the greatest injustice to Messrs. Brogden if they are not allowed an opportunity to investigate these alleged final certificates, which are the documents containing the elements of the dispute, and from which my learned friend has repeatedly said the appeal to the Judge is to take place. And are Messrs. Brogden to be debarred from appeal now? How could they appeal without having the details of these certificates before them? It is idle to say they ought to have commenced their appeal within six months when all particulars were denied them. Well, then, subsequently there is Mr. Maxwell's examination, and was ever an investigation performed in a more perfunctory manner? What knowledge had he of the actual works? So far as we know, he had not even the Engineer of the works before him, nor was there any reference to the Messrs. Brogden. He was furnished with what were alleged to be true copies of these so-called final certificates, and was asked to report on those documents. Even he in performing his perfunctory examination was able to discover some omissions; and then it has been urged upon the Committee that this investigation should not be granted, on the ground that the Government evidence is not now obtainable. One further remark I should make with reference to the Auckland contract. The Committee will of course note that the final certificate of the Engineer upon the Auckland contract has not been put in, and my learned friend has adduced no evidence whatever to prove that the sum for which I produced a copy of Mr. Stewart's certificate in that case has ever been paid. As regards the 10-per-cent. commission on the deductions, Mr. Maxwell yesterday stated that the deductions on that contract amounted to £29,779. I ask Mr. Bell to produce any voucher showing that the 10 per cent. on the deductions from that contract has been paid. He does not, in that case, put in even a so-called final certificate containing the item "Commission on deductions," as in the other cases; neither is there any certificate in the Waitara case. Now, as regards the dispersion of witnesses, I should like the Committee to consider who is in the worst position. The majority of the Government Engineers under the contracts are still in the Government employ; many of the Inspectors on the works are still in the Government employ. The only gentleman now in Messrs. Brogden's employ who was engaged on the works is Mr. Williams; Mr. Napier Bell is in New Zealand, and will probably be available, but with these two exceptions Messrs. Brogden would have to get their evidence from all parts of the colonies. Many of their witnesses are dead—Mr. Henderson, their principal witness is dead, their bookkeeper is dead, and their other witnesses are dispersed in all parts of the world. I assert positively that, where the Government, from the absence of evidence, may perhaps lose hundreds, Messrs. Brogden will inevitably lose thousands of pounds. As to Mr. Carruthers's evidence, what can be easier than to obtain that. Mr. Bell says no commission can be issued under the Government Contractors Act, but I venture to think some arrangement could be made, or if it is necessary to pass an Act of Parliament the Government can add a section to Messrs. Brogden's Bill now before the House empowering Mr. Carruthers's evidence to be taken on commission. One other point I should like to refer to. It has been asserted repeatedly throughout this inquiry that Messrs. Brogden have been treated with exceptional liberality. That is a story we have heard before. We heard it last year on the inquiry with reference to Messrs. Brogden's immigration contract. The argument was then adduced that Messrs. Brogden ought not to be allowed any compensation in respect of their losses under that