

Messrs. BROGDEN and SONS to the Hon. the MINISTER for PUBLIC WORKS.

SIR,—

Wellington, 4th March, 1881.

We have the honor to acknowledge receipt of your letter of the 3rd instant, in reply to ours of the 19th ultimo. Our Mr. A. Brogden came out here with the view of promoting an amicable settlement of our outstanding accounts with the Government, and finds in the course of his examinations that the Treasury voucher alluded to in our letter of the 19th ultimo, and of which we ask for details, is the last of such statements received from the Government, and contains deductions and alterations altogether different from any previous statements, and, in particular, charges us with more than £2,000 cash in excess of the previous vouchers, without any such cash having been paid to us on our contracts, and more than we admit having received. The object of the inquiry was to obtain an explanation of these discrepancies and alterations, and we only regret that you do not feel it incumbent on you to have them cleared up at once.

It will be well to recapitulate the proposals made at the interview on the 26th ultimo between yourself and Mr. Brogden, in order that there may be no future mistake. Mr. Brogden proposed to go over the certificates of your Engineers with them, in order to point out items omitted to be certified, wrongly priced, or inaccurately measured: this, at least, would have cleared the ground of needless discussion. Upon your statement that you had engaged Mr. Higginson to go over the various contracts on behalf of the Government and report thereon, Mr. Brogden pointed out that such an investigation would be comparatively futile and valueless without the knowledge of what we had to say about the matters mentioned above, and offered to let one of our staff accompany Mr. Higginson for the purpose of giving him that information. And, further, Mr. Brogden proposed that the President of the Institution of Civil Engineers in London should be requested to name some competent person to come out and arbitrate between us upon all differences. It is manifestly not correct to say that any one of these proposals, if adopted, could lead to no "practical result;" and we now ask you to be good enough to inform us what you propose to do in order to promote, if possible, a friendly settlement of the outstanding accounts, as we cannot believe it to be the desire of the Government or the interest of the colony to allow them to remain unsettled. We shall be obliged by an early reply, and

The Hon. R. Oliver,

Minister for Public Works, Wellington.

We have, &c.,

JOHN BROGDEN AND SONS.

The Hon. the MINISTER for PUBLIC WORKS to MESSRS. BROGDEN and SONS.

GENTLEMEN,—

Public Works Office, Wellington, 9th March, 1881.

In reply to your letter of the 4th instant, in which you point to a discrepancy of more than £2,000 between the vouchers of the 28th February, 1879, and previous vouchers, I have now the pleasure of enclosing a memorandum from the Accountant of this department, which I hope may have the effect of explaining the supposed discrepancy.

You say that Mr. A. Brogden has come to the colony for the purpose of promoting an amicable settlement of your outstanding accounts with the Government; and, on the part of the Government, I fully recognize the desirability of a friendly settlement of any matters which may be in dispute; but I cannot think that the course which you suggested at our interview is one which I can in the interests of the colony adopt.

Your agents have forwarded certain claims, and these claims you have varied from time to time. I gathered from your Mr. A. Brogden, at our interview, that some of these he does not intend to press, and that he acknowledges himself only very imperfectly informed and undecided as to the amount which he will eventually seek to recover. The position of the Government is that the colony has paid your firm every just claim, and owes you nothing. That being the case, I hope you will forgive me for pointing out that, before entertaining any proposals such as those to which you allude, the Government is entitled to have a full, definite, and exact statement of the claims which you desire to abide by, and which you will ask the Government to consider. I desire to point out that your Mr. A. Brogden is in error in supposing that I said at our interview that I had "engaged Mr. Higginson to go over the various contracts on behalf of the Government, and to report thereon." What I said was that Mr. Higginson, an engineer formerly in the employment of the Government, had called on me and informed me that Mr. A. Brogden had offered to engage his services in prosecuting your firm's claims, but that he had thought it his duty first to offer them to the Government, and that I had thereupon retained him. The fact is that up to this date, in the absence of specific information as to your claims, no duties have been assigned to Mr. Higginson, it being manifestly impossible at present to foresee where or in what manner that gentleman's services may be required. Under the circumstances, I think it my duty to say that this letter must not be understood as waiving any of the provisions of "The Government Contractors Arbitration Act, 1872."

Messrs. J. Brogden and Sons, Wellington.

I have, &c.,

R. OLIVER.

[Enclosure.]

The Under-Secretary Public Works.

I THINK Messrs. Brogden must have lost sight of the two amounts of £1,887 1s. 11d. and £300 paid to them as a bonus on Newmarket-Mercer and Taieri Contracts. These amounts form part of the total payments, £851,552 2s. 11d., shown on the voucher of £698 5s. 7d., to which Messrs. Brogden refer, and it is possible that the amounts are not shown as "contract" payments in Messrs. Brogden's books.

8th March, 1881,

W. A. THOMAS,
Accountant, Public Works.