

ALEXANDER WYND GELLATLY sworn and examined.

191. *Mr. Skerrett.*] You are the manager in Wellington of the Wellington branch of the firm of Briscoe, MacNeil, and Co.?—Yes; I represent them in Wellington.

192. You have entire charge of their business?—Yes, I opened up the business here for Briscoe, MacNeil, and Co., and I am still conducting it.

193. Will you tell us how you came to employ Jenkins?—Yes; he waited on me about the middle of February, and solicited employment. He made rather a specious application. He said he had been employed by Duthie and Co., that I knew his brother, who was under me for about ten years during the time I was in the Melbourne house. He also said that he had heard we had secured the Government contract, and that he would come to me at £1 15s. a week. I told him I did not think we had any employment to give. In consultation with Mr. Bridson I found that he wanted some one to assist with the clerical work in connection with these contracts, and I subsequently offered Jenkins temporary employment. He came to us on the 25th February.

194. As a temporary clerk?—Yes, at the salary he mentioned himself; I did not suggest salary at all.

195. Jenkins has said that shortly after going to your employment he had a conversation with you about some returned voucher, and that you said, "Never mind, charge it again"?—That I totally deny. I have some recollection of one as to a railway slip, and that I told him he was to charge it. As to the charging it "again," the statement is absurd on the face of it. I could not have said such a thing.

196. It is suggested that an alteration in the rough-book (page 25) in blue pencil is in your handwriting?—No, it is not my handwriting; I deny that it is my handwriting; that is on page 104.

197. Then it is not your handwriting?—No.

198. Is it in Bridson's handwriting?—If I was asked my opinion, I would say it was Bridson's, but I would not swear to it. Why I say so is, that Bridson made his marks in blue pencil.

199. You were bound to detect these alterations because you regularly looked through the journal—Jenkins says so; will you say what was your practice while he was in your employment?—On the 15th of March I went to Melbourne. I was absent from the 15th of March till the 20th of April; I could not, therefore, look into the journal regularly every week. Prior to my leaving for Melbourne, in March, I did look into the journal to see that the work was kept up—to look at the totals and the amount of sales, but not to go into details.

200. You would not be likely to extend any of these charges?—No.

201. Or to examine any of the items?—No.

202. Jenkins was dismissed on the 6th of May?—The 10th of May, I think it was.

203. It is also suggested that your attention might have been called to the overcharge of weight?—No.

204. But vouchers were returned; will you tell us the practice in regard to returned vouchers?—In the Railway Department the documents are always posted to us. I go through the mail in the morning when I arrive at the office, about 9 a.m.; I usually see all orders that come from the Railway Department. In the Public Works Department they are sometimes left by a messenger; if any voucher is returned I would see it if it came by post; but if a messenger brought them I would not see them, they would be brought probably to Mr. Bridson. The first intimations I had of alterations was when our cashier waited on the Government for payment, and he was informed that there was a certain amount of errors.

205. Then you had sent in the vouchers?—Yes; the Government would inform us that there was a cheque waiting, and our cashier would go to collect it.

206. He would get the money and return to you?—Yes.

207. Have items been reduced?—In some cases.

208. In some cases?—In some cases they have been added to.

209. In cases of reductions what would the cashier do?—He takes a note of the reductions; he has either to take the cheque as written, or not at all, if there are corrections to be made. The Government take the right to say that things shall be charged at certain rates and weights and quantities; we submit to that in the rough; we are quite agreeable the Government should make reductions, seeing that they sometimes give us additions. Mr. Newbold informed me last week that on about £240 there was a difference of only 7s. 4d. which the Government claimed. Practically in business we must recognise a certain amount of leakage; we estimate about 2½ per cent. to provide for this Government leakage, being about equal to the cash discount on ordinary trade; it pays us better to lose that 7s. 4d. than to go into a mass of details.

210. To go into details would involve an extensive correspondence?—There might practically be no end to it, and we might not get our 7s. 4d. after all.

211. The cashier goes into the reductions when he goes to get the cheque?—Invariably 75 per cent of these reductions are only known to us when we go to the department for our cheque.

212. Did you ever have any conversation with Bridson about excessive weights: were they ever referred to you?—No.

213. I want you to explain the process of "calling over," how it is done, and the object and purpose of it?—I have heard a good deal about the system of calling over or "calling back"; but I really do not know there is such a "system." When the order is handed to us or they come in by post, they are written into this rough book (produced), and the salesman makes up the order from this book; we have also a despatch-book which is kept in the iron-yard, in which the salesman enters the goods to be despatched; we also keep in the iron-yard certain heavy goods; if there was any yard stuff to go, he would enter it in this book, so that the whole thing would be despatched together. In the last contract we used to write out the vouchers from this rough book; we used to render our vouchers every month. When we got the new contract, which embodied the railways as well, we decided to have two books—one in which we could show the costs on this contract, and