112. Is it not the custom for persons who are skilled in the iron trade to go through a schedule of this kind, item by item, to consider every risk and to fix prices in accordance with an allowance for the risk?—I suppose so; they would go through it to the best of their ability.

113. All these questions of cutting and waste would be considered in going over the schedule?—No, I do not think so.

114. Would you not make an allowance in your prices for cutting?—No; I could not conceive what the department is going to order.

115. You know that you have to supply certain goods by piece?—No; they do not give quantities to tender on.

116. Does it not say that you are bound to supply any quantity that is required?—No, I think not; I do not know the clause.

117. Your dealings with the Government did not commence in February?—We had the Public Works contract before.

118. Do you know that it is the invariable custom to demand such pieces as it requires?—I do not know that, under the contract before, we supplied any cut lead; it was only for this particular job that we supplied this, and we have not supplied it to any one since or before.

119. Would you allow for waste in a case of corrugated iron?—We do not cut corrugated iron; if you ask me in a general way I would say, No.

120. You say you only looked at the contract journal to see that the work was kept up, and for watching totals?—Yes; to see that the work was kept up.

121. Did you not "cost" a good many of the items which were afterwards inked in?—Prior to Jenkins being in our employment?

122. No; after he came into your employment?—I did nothing to the contract journal from the time Jenkins came to us until he went away; from the time he entered our employment until he went out of it.

123. Do not your figures appear in pencil in the cost column?—They might if it came before me, and I was looking at the cost column. I might then pencil something.

124. Do you say that in a business like yours there is no check in weights; these are your figures?—They are; but that was before Jenkins came into our employment. This was a new contract, started 7th February. This is a new book, provided for the purposes of the new contract. I might have given more attention to it when it was understood that Mr. Bridson wanted assistance; but Jenkins being employed, I did nothing towards working this contract.

124A. Do you mean to say you had nothing to do with the weights and prices—did you not look over your business totals?—You have no idea of the extent of our business; our turnover was £95,000 last year; this contract represents about £6,000; that is but the fifteenth part of our business.

125. Did you leave goods, running up to thousands in value, entirely at the mercy of a clerk at £1 15s. a week?—We did; we would only have had to get another clerk to check Mr. Jenkins.

126. Is it not the custom in a contract of this kind to check by what has been described here as "calling back"?—I look upon this contract journal as a "rough book." If we were sure the Government would pass the vouchers entered, we would not need to have it. It is a rough book altogether—only entered up once a month.

127. You get orders from Government which may run to £100, and you allow the weights and prices to be translated to the vouchers which you send in to the Government, and leaving the whole costing to a clerk at £1 15s. a week?—There is no costing.

128. You leave the amount you are to receive at the mercy of a clerk to whom you paid £1 15s. a week?—Jenkins was under the supervision of Bridson; the same would apply to any entering clerk in any store in Wellington.

129. Although you may have a peculiar system of your own, do you know of any other business or any other house that would leave its business to a responsible officer at £1 15s. a week?—I do not know of any other contract business.

130. What do you say about collusive vouchers? Suppose a clerk at £1 15s. a week had entered into a conspiracy with an officer of a public department, or with a private customer, to send in overweights, could not that have been done to the extent of some hundred pounds without detection?—I suppose it could.

131. There is no check on that?—No immediate check; we must trust to our employés to a certain extent.

132. Your business is carried on, you think, on satisfactory lines?—Yes; satisfactory in my opinion.

133. You are hardly making any profit out of the Railway contract?—I cannot say.

134. In April you made 3 per cent. and in March still less, and you make up your profit on the goods supplied to Public Works?—We might have a good profit from the Railways this month, and a bad one from Public Works; or the other way, we may have a bad profit from the Railways and a good one from the Public Works.

135. You will not deny that the Railway contract yielded 3 per cent.?—I have not looked at the profit for the month.

136. But you say it was on the whole very good?—Yes, it was fair on the whole.

137. If you were making 3 per cent. in April and less in March, working expenses would have to be paid all the same?—We might supply a quantity of goods to the Railways on which we would not require 3 per cent.; it would depend on the execution.

138. As to the alteration of solid drawn lead pipe to sanitary pipe, in the contract journal, that was done by your direction?—I do not remember.

139. If Jenkins swears you did, you would not contradict him?—I will swear that I never instructed Mr. Jenkins to alter it.