

283. Did you know whether any one in the office did?—No.

284. *Mr. McGowan.*] Had you any knowledge of the Government contract—whether it was a paying contract or a close-cut one?—This was my first experience in Government contract work, and I could not say.

285. You had no knowledge whether it was a good contract or a poor one?—I had no knowledge of contract-work at all.

286. In the alterations that you have admitted, did you go upon any basis in making these alterations? Were they made in order to make the item up, if the Government afterwards passed it, or was it made with a view to correctness of the invoice?—No. Items were made, and afterwards proved to be correct. We had made the entry before we received the invoices from the firm we had bought from. In most instances we had the invoice before sending in vouchers.

287. With reference to milled lead: did you not think that, being of this contract, you were bound to supply according to weight?—Yes.

288. And yet you are prepared to charge as the cut weight, more than that which was supplied, if the Government officers allowed it to pass?—They had the knowledge that the rest was lying in our yard.

289. *Mr. Tanner.*] Regarding the tents, did you know that Knight was an unsuccessful tenderer for them?—Not before.

290. Do you mean before you ordered the tents from Knight?—Yes.

291. And you say you had no hesitation in supplying the tent at £1 5s. which you paid Knight 18s. for, and yet you knew afterwards, at any rate, that Knight had tendered for supplying the tents and was a practical tent-maker?—I thought I was paying Knight a very fair price, considering that I could buy tents for less in Dunedin.

292. Regarding these holding-down bolts and washers, was it intended that the bolts and the washers should be weighed together?—No.

293. Did you supply washers free?—No, I charged for them too.

294. At another price?—Yes.

295. Now, regarding what you said about Jenkins, you say you complained of Jenkins in the first case that he was not conducting himself properly?—I said he was not conducting himself properly towards me; he was evidently trying to ignore me, and do as he liked.

296. Was he officious?—He was, very officious.

297. So you told Gellatly you could do without him?—Yes.

298. You did not venture that information; you gave it in answer to a question?—Yes.

299. *The Chairman.*] I understand the witness to say there are only two alterations in his handwriting, whereas, as a matter of fact, there are seven items altered in his handwriting. There is the alteration of jumpers and cleaners in your handwriting, is there not?—I believe I made the first entry of jumpers and cleaners.

300. The alteration in squares of glass, is that yours?—Yes.

301. The alteration in engineers' bolts, is that in your handwriting. There are two alterations in sash-cords in your handwriting—two hanks of "Silver Lake"?—I cannot recollect them; I have no recollection of them.

302. Then there is the lead, which you have explained?—Yes.

TUESDAY, 17TH SEPTEMBER, 1895.—(Mr. A. R. GUINNESS, Chairman).

AUGUSTUS CASTENDYK, sworn, examined.

1. *Mr. Skerrett.*] You are a member of the firm of Castendyk and Focke, wine-merchants, carrying on business in Wellington?—Yes.

2. Was James Hendry Jenkins in your employment from January, 1893, to May, 1894?—Yes.

3. During that period did you find him to be guilty of dishonesty?—At one time I found him not honest.

4. You found him not honest before you dismissed him in May, 1894?—Yes.

5. You overlooked the matter then, giving him another chance?—Yes.

6. But in May, 1894, finding further acts of dishonesty, you dismissed him?—Yes.

7. You have an objection to state the amount of his deficiency?—Yes.

8. Because you think that would be intruding on your private business?—Yes.

9. Were the amounts of his deficiencies substantial?—I would not like to answer that question.

10. Did the amount of his deficiency exceed £50?—I would not like to answer that question.

11. *Mr. Menteath.*] You find great difficulty with travellers in your line of business?—Sometimes; yes.

12. I think you had five travellers in your employment prior to Mr. Jenkins, and you had some difficulty with all of them?—I think, three travellers.

13. Are you sure the number was not five?—I am not quite certain.

14. It is frequently the case in your trade travellers are paid by commission on their sales?—And salary.

15. Sometimes you pay them by commission and sometimes by salary?—Commission and salary.

16. Is it a common practice that travellers forget themselves?—No; it is not common.

17. Now, has not all that was due to you from Jenkins been paid?—Yes. It was not paid at first, but it was afterwards, except a certain amount which I feel not justified to disclose.

18. But there was a certain balance left?—Yes.

19. *The Chairman.*] Will you state the kind of business you carry on—you say you are a wine and spirit merchant?—Yes.