H.-2.

145. Then, as to No. 3 contract?—No. 3 contract began at a point marked "1 mile 41 chains," near the Stillwater Junction, and ends at a point marked "8 miles 28 chains," near Nelson Creek, and the total length of the contract was 6 miles 67 chains, or thereabouts.

146. Dr. Findlay. That was completed?—Yes, by the English contractors. 147. That is the whole of the work done by the English contractors?—Yes.

148. Can you describe to the Commission the nature and extent of the work done?—No. 1 contract included the supply of formation, bridges, culverts, and so forth; also permanent-way materials and rolling-stock.

149. Did they do that so far as they carried out No. 1 contract?—Yes. They supplied rolling-

stock, and they supplied the rails and fastenings.

150. You could get the details of the rolling-stock, &c.?—Yes; the information is in the

151. If you are going to get the information, will you make it out in one return, accurately setting out the mileages and the extent of the work done by them?—Yes.

152. With regard to contracts for the construction of other parts of the line, how were they

let?—They were let by public tender. 153. Were the contracts prepared according to the usage of the Public Works Department?—

Yes, as nearly as circumstances permitted. 154. Can you say whether the lowest tender was accepted?—Yes, in all cases.

155. Mr. Bell. Have you got the lists of tenders?—No. The information should be in Christchurch or Wellington.

156. The Chairman.] I suppose you can let us have the information when in Christchurch?—

Yes, if it is there.

157. Dr. Findlay.] Now, I think the general statement you have made has got to be qualified in regard to one small piece of line-about a mile-which was an extension of what was known as the Squaretown contract: what were the circumstances of that?—It was a small piece of line held in abeyance for a certain time because it was doubtful whether the company was going to cross the Inangahua River and go straight on, or whether the bridge question would be held over. Had the work proceeded across the river the intention was to let by public tender a section from the end of the Squaretown contract, including the bridge and station-yard on the Reefton side. This would have made a fairly large contract. The bridge was not built, and therefore a small section of railway was required to bring the line to the present station, and also works to establish the present Reefton station and appurtenances. The extension was really let as an addition to, or an extension of, the Squaretown contract, and at similar rates as far as possible; but for the sake of convenience it is called a separate contract—No. 15. It was practically and necessarily an addition to the Squaretown contract.

158. And it was let at the schedule rates of the Squaretown contract?—It was let at the

schedule rates, with increase for haulage, and so forth.

159 What we are concerned to get at is this: Was the work done, in your opinion, as cheaply as if it had been let by public tender?—Yes, and more so, because possible complications between contractors would have increased the price of the work.

160. Who was the contractor for the Squaretown contract?--J. R. Rees and Co.

161. Speaking generally of all the work done by the contractors, other than the English contractors, you say it was done at the lowest market rates?—Yes.

162. Was it done by competent men?—Yes.

- 163. And you had the examination and checking of all the certificates for payment of these contractors?—Yes.
- 134. Now, you see that the Commission desire to classify the cost under the headings of "grading," "bridging," "tunnellings," and so on, with respect to each section: can you supply a return showing the information wanted there?—Yes, I can do that.

165. The Chairman.] When?—Well, it would take some work, especially in some of the smaller contracts. Most of the information I would get from the certificates, but I would also

have to go through the ledger.

166. Dr. Findlay.] Is it possible to provide the returns in Greymouth?—I shall endeavour to

167. Where are the materials from which you could compile it?—The materials are largely in the certificate-book, and they are all classified under the desired heads. There are some things which must be got from the ledger, such as purchases of rails, and so forth. The cost of Home purchases must be got from the Christchurch office ledgers. They do not necessarily appear in the certificates.

168. Well, then, you cannot, as I understand, provide a return until you see the ledgers in Christchurch?—No, I cannot.

169. You can give the Commission an extract of all the information you have here?—Yes.

170. When can you have that ready for the Commission, supposing you have ample clerical assistance?—I could have it, I think, by Thursday.

171. As to "The amount expended for supervision, showing the names of officers, the period of employment, and amount (and the annual rate of salary) paid to each; such expenditure to be apportioned to each of the above sections of railway. The amount of money paid in combe apportioned to each of the above sections of railway. The amount of money paid in commissions, showing the names of the persons or parties to whom such commissions were paid, and the amount paid to each person or party; such expenditure to be apportioned to each of the above sections of railway. The amount paid in salaries, showing the names of officers, the period of employment, and amount (and the annual rate of salary) paid to each; such expenditure to be apportioned to each of the above sections of railway. The amount paid in incidental expenses, such expenditure to be shown in detail, and separately from the above, and to be apportioned to