

252. That may appear to you to be the important part of the letter; but as it appears to me, the important part is that he treats Mr. Ben Smith as the contractor, and concludes with these words,—“A copy of this letter I have caused to be forwarded to your surety Mr. John Martin.”—Yes.

253. You see it says,—“If you persist in using materials not in accordance with your contract, and in direct opposition to the directions of the Clerk of Works, it will become my duty to stop the building operations entirely until some other arrangements are made for the proper conduct of the works. I wish you to understand that all further progress payments will be withheld until the objectionable materials are removed, and an assurance is given that you will not knowingly depart from the terms of your contract for the future.” Do you know that after that letter, and in consequence of the neglect to obey it, the progress payments were temporarily stopped?—No; I do not think so. I do not think it made the slightest difference.

254. Don't you recollect going to Mr. Clayton's office with Mr. Ben Smith, and Mr. Clayton saying that the progress payments would be stopped until the objectionable timber was removed?—It might be so.

255. And was not the bay window in Lady Bowen's bedroom, in which it was pulled down?—Yes; I recollect two studs being taken out.

256. In answer to that letter there is none from you, but one from Mr. Ben Smith, of the 21st of May, in which he complains of the tone of the letter. It concludes by his signing it “Ben Smith, for Mr. John Martin;” but was there no letter of yours?—No.

257. All left to Mr. Smith?—I think so. Many of these letters I never saw.

258. On the 23rd of May Mr. Ben Smith sends another to Mr Clayton, but there he appears to forget that he is only your agent, for he says,—“For myself, I again say that I will not in any way use or do any work against your expressed wish;” and he signs for himself, “Ben Smith.”

259. It seems also that Mr. Clayton wished Mr. Ben Smith's tenders to be indorsed by you. There is one case, on the 6th July, about some bridging. Is that so?—I dare say I might have done that.

260. Then there is a letter from you to the Colonial Architect, on the 8th July, about advances, in which you complain of having advanced so much. Now, as you had advanced so much, and the progress payments did not reimburse you, why did you not say to the Government that you would not go on?—Well, I did not do so. I fully expected I should get the money I wanted, or I should have left off long before.

261. In a letter from you to Mr. Clayton, on the 13th July, 1870, you say,—“I have to acknowledge your letter of the above date, stating that the Government are willing to advance me £1,000 out of the retention fund in the Government House contract provided I give an undertaking in writing to finish the whole of the works within three calendar months from this date, under a penalty of £150 per week exceeding that time.” Why should the Government have asked you to enter into this arrangement?—That I don't know.

262. You were not under any bond as a contractor?—I don't know; but I was lying out of a great deal of money at that time.

263. Why should the Government have said, “We will not give you more than £1,000”?—I don't know; but I do know they ought to have given it to me.

264. Then you say the contract will be finished in three weeks?—And it was so.

265. And you got some retention money that you were not entitled to?—I don't think I did. I never got the £1,000. You put a stop to that.

266. Do you remember that there was a question as to whether there should be a retention of 25 per cent. on extras as well as on items under the contract? Was there not in the month of August some discussion between the contractor, Mr. Ben Smith, and the Government, on this subject?—A discussion with whom?

267. In which you yourself were a party?—I don't recollect it.

268. Don't you remember that Mr. Clayton passed a voucher for the whole amount of extras for the month, and afterwards it was discovered that 25 per cent. ought to have been deducted from it?—It appears so.

269. Don't you remember that you came up and complained about the voucher being stopped at the Treasury?—I think it was so.

270. And because Mr Clayton had passed it you were to have the amount; but notice was given to Mr Ben Smith that the full amount would not be allowed in future?—Yes.

271. You allowed the Government to go on thinking they were working under the contract when you knew you were working under a different arrangement with Mr. Clayton?—I should have told the Government, no doubt; but everything was done in order, and cheaply, and well too.

272. Here are two private notes from Mr. Clayton to you, asking you to use your influence with Mr. Smith to secure the completion of the gas fittings by Mr. Tolley. Were not those extraordinary letters for Mr. Clayton to write to you?—Yes; I recollect we went up and kept the same men on.

273. Then you did use your influence?—Yes, I did; and a very anxious time I had of it.

274. You used it as surety?—No.

275. You asked for £2,000 out of the retention money, and were told that you could have it on entering into a bond to secure the Government. Now, why should the Government require you to enter into a bond?—That I don't know; but I do know that it would have cost some £7 or £8 to have the bond prepared.

276. You didn't give it?—No.

277. Did you write insisting on getting the money?—I dare say I did, and applied verbally too.

278. Did you ever see any member of the Government upon the matter?—I think I did.

279. Where, and whom?—I think I saw Mr. Gisborne several times. I told Mr. Gisborne always the amount of money I was in advance for the house.

280. Do you recollect this letter from Mr. Clayton on the 28th September, 1870, exactly at the time you were asking for this money,—“I am directed to inform you, in reply to your application for an advance out of the retention money on the Government House contract, that, on condition of the con-