

2. *Mr. J. Shephard.*] The allocation of this £60,000 was simply by a resolution of the House?—*Mr. J. Sheehan, M.H.R.*
 Yes; it was not an arrangement with the Provincial Government at all, but a resolution agreed to in the House between the Government and the members of the House. I submit to the Committee that if such an arrangement had been made with the province it would not be binding, because it would be a breach of faith with the members who represent the North of Auckland in this House. So far as I recollect the matter, I was opposed to the construction of the bridge, and when the question came before the Provincial Council I moved the adjournment of the proposal, but the majority were against me, and the resolution was carried and sent up to the General Government, with a request that the Minister for Public Works would undertake the work. The correspondence is very complete on the subject, and, if I recollect right, the negotiations took place mainly with the Hon. Mr. O'Rorke, who was then a member of the Government. He was in Auckland at the time, and it was in his presence, I think, that the Superintendent and the Provincial Government finally agreed to ask that the work should be undertaken on these terms. Nothing further of an executive character took place until the time came for the acceptance of tenders, when, the amount of the tender being in excess of the Government estimate, we were called upon to say whether we agreed to the works being gone on with at the increased price. The Provincial Government of Auckland would never have consented to have the thing done in that way; rather than do so, they would have refused to agree to the work being done at all.

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3. *Mr. Pearce.*] When did the Provincial Government first get notice that the charge was made on that vote?—They never did get notice of it.

4. When did you discover it?—During the last session, by a return laid on the table.

5. Why did you not take exception to it then?—It was at the close of the session.

6. Have you had any correspondence since then with the Government about it?—Yes; I have just read a portion of it. I wish the Committee and Mr. Richardson to understand that I do not absolutely deny that Mr. Richardson spoke to me in regard to this matter on the voyage to Kaipara, but I do say that I have not the faintest recollection of it. Even if he did so—if casual statements of that kind made in the course of a journey are to be treated as official communications, and binding on the party—it is entirely a new way of doing business. It could have no legal effect whatever.

7. Then you hold that that expenditure was not properly charged against that vote?—I do not think the Minister for Public Works could dispute that, unless it was shown that there was consent to allow the amount to be taken for the Mangere Bridge out of the vote for works North of Auckland. Without such consent the charge would be an improper one. It would be both geographically and politically incorrect.

8. *Mr. J. Shephard.*] But so far as I understand you, the vote of £400,000 is for roads in the North Island. The resolution of the House is to the effect that £60,000 of it may be allocated to roads North of Auckland, but there is no distinct appropriation with regard to it?—No.

9. As a matter of account, in charging this sum, there was nothing on the face of the Immigration and Public Works Act to prevent it being so charged?—If the Committee think so, I have nothing more to say.

10. As a question of account, the Treasury or Audit must charge it to the £400,000 vote wherever it was expended. I mean that there was no separation of the £400,000 in their accounts?—Not necessarily. Under the arrangement the £60,000 would be accounted for separately.

The Hon. E. RICHARDSON, Minister for Public Works, examined.

11. *The Chairman.*] Will you state what you know concerning the money which had been expended in constructing the Mangere Bridge?—I have very little to say in regard to this matter, beyond that, when I took office, I found that a pledge had been given by the General Government that the bridge should be constructed. Before the plans were ready I was in Auckland, and made it my business to visit this spot. I visited it, I think, on the very day on which I arrived in Auckland, but previously I had had an interview with the then Superintendent, and, among other things, he spoke to me about this bridge. I told him that there was no specific appropriation for the work, and that it would have to be paid for out of the vote. No exception was taken to this, and nothing further was said about it at the time, but a day or two afterwards I was in company with Mr. Sheehan, and we were talking about the various roads and bridges that had been made with the money, and this led up to a conversation on the subject of the Mangere Bridge. I made to Mr. Sheehan a statement similar to that which I had made to the Superintendent, and he raised no objection. Of that I am perfectly certain. From the moment the expenditure began on that bridge, it has been shown twice—in the two statements of accounts that have been made—and no exception has been taken to it until the last Session, when Mr. Gillies referred to it, and caused a rather unpleasant discussion. I have no hesitation in saying that I intimated, both to the Superintendent of Auckland and to Mr. Sheehan, that the bridge would have to be paid for out of the £60,000. If any question had been raised concerning it, I should have been only too glad to have stopped the work. Neither the Superintendent nor Mr. Sheehan disapproved of the way in which the bridge was to be paid for. I knew, however, that the Superintendent was against it, and I wanted, in the telegrams, to give him a chance to disapprove of it.

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12. *Mr. Curtis.*] Was not the vote of £400,000 a fund to which the cost of works north of Auckland might have been charged?—Yes.

13. Is it not possible that the Superintendent did not understand that the cost was to come out of the £60,000, but that he might have been under the impression that it was to come out of the vote for works in the North Island?—It is possible that he may have taken that view. It may be explained in that way, but in our conversation previously I had said that I considered the North of Auckland had already received more than a fair proportion of the whole sum.

14. I noticed that you used the expression "to the vote"?—It was dealt with by us in the department as if it were a vote of the House. We considered it one sum. There was no specific appropriation. It was a lump sum of £60,000, set apart out of the £400,000.