

Mr. Dobson.
3rd Dec., 1877.

329. Is that all the evidence of title the contractors had?—Yes. I should think it is evidence enough.
330. Supposing the tunnel had gone through a coal mine, would the contractor have had the right to the coal he brought out?—Certainly.
331. Is such a specification usual?—Yes; unless there is a special provision.
332. Supposing a contractor comes across a gold mine?—I believe gold is reserved to the Crown; but when a contractor comes across ordinary material, whether it be valuable or not, he has a right to it under the common law. If the stuff turned out to be sand and mud, he would have to dispose of it; and if it were good stuff he got the benefit of it.
333. If it had been sand and mud, would he have been allowed to put it into the harbour?—No.
334. And he would have had to provide other stuff for the reclamation?—Certainly.
335. *Mr. Swanson.*] There were progress payments on the tunnel work?—Yes.
336. Was there any in respect of this embankment in dispute?—No; because the claim was not recognized. In the first place, however, the contractors did not ask for money for some years, and when they did, the claim was not recognized.
337. What was the percentage paid on the contract?—90 per cent.
338. When was the first claim made in respect of the work?—In 1865.
339. How much of the work was then done?—About two-thirds.
340. Was two-thirds of the other work done before any money was asked for?—Yes.
341. Was it not calculated to be a surprise for the Government?—I think that is a question you should ask the Government.
342. Were you not at that time the brains and eyes of the Government, and did it not come as a surprise upon you?—It did.
343. The Government had no chance of coming to an understanding with the contractors?—Well, I did not want to stop the work. So long as the contractors would give us good stuff for nothing, I did not object to it.
344. And did you warn the Government of what was going on?—No.
345. Did you consider they were doing right?—Yes. I thought the more they did for us on such terms the better.
346. Do you think they are entitled to anything extra?—I think they have a legal right.
347. Do you not think it was your duty to have warned the Government—to have told them these contractors were doing so and so, for which they had no authority, but might want payment by-and-by?—I do not think it was my duty. I did not know then there would be any demand for payment, and as they were doing us good, I did not object.
348. But supposing a man, unasked, does you a good deal of good, and then pops in a bill, what would you do? Would you pay him?—It would depend upon circumstances. I should examine into the claim, and see whether it could be legally claimed or not.
349. Would it not have been better for you to say to the contractor, "Well, you are doing this, but I never asked you to do it, and I am not going to pay you for it?" Would it not have been better if you, as acting between the Government and the contractors, had had an understanding on the subject?—No. If a contractor likes to put his spoil where it will do me good, I am perfectly satisfied.
350. But supposing he comes afterwards, and wants money—would you be satisfied then?—I am satisfied in this case that the contractors ought to be paid something.
351. *Hon. Mr. Richardson.*] You said just now, in reading the specification, that we were to be supplied with land upon which to put this material?—Yes; that is so.
352. As we were not stopped from putting material upon that land, had we not a right to suppose that the Government had no objection to our using it?—Temporarily, but not otherwise.
353. Exactly. Was it during your time, or was it during the short interval that Mr. Aiken had charge of the harbour works, that we were stopped from selling ballast?—I think you were stopped from selling ballast just before the wharf contract was made.
354. Do you recollect that we were selling ballast, and that we put a small jetty up?—I do not know about that. I know Mr. Holmes asked me if you might sell ballast, and I said, "No."
355. Are you not aware that we did sell a considerable quantity before we were stopped?—No. I believe you sold some, but I do not know this from personal knowledge, and I have no idea of how much was sold; but Mr. Holmes told me he was selling ballast. That was just about the time the wharf contract was being let. I then took a stand, and said I could not let any more be sold.
356. Do you remember Mr. Holmes saying we had an offer for the whole of the surplus material from Mr. Wright?—I do not.
357. You did not know that Wright offered us a price for the whole of the stuff?—No.
358. It was after that date, was it not, that we sold the Government some of the stuff for the Christchurch yard?—Yes. You did not sell any of the stuff till the station was fit to be opened.
359. Was it sold at a price which would merely pay for the labour of handling it, or at the ordinary market price for such material?—It was simply sold at the ordinary market price. There was no consideration as to where the stuff came from; it was simply a question as to what was the value of broken metal.
360. Do you remember that, after the work was finished, the Government invited us to tender for the supply of some of the material in Lyttelton?—I think there was some correspondence on the subject.
361. We did tender, and our tender was accepted?—Yes.
362. It has been repeatedly said that the £5,000 agreed upon to be paid was to cover the whole of the work. I want to ask you this—Was it ever intended to cover the cost of reclamation?—Not in my mind. Almost immediately after I received verbal instructions from the Executive I made out working plans, and then submitted them to you, in order that there might be no mistake as to what was to be done for the £5,000.
363. And there was nothing about reclamation in them?—No. My idea was that the line was to run straight out.