

Building Engineers' Houses—Contract 34 A.

Second instructions did not reach Hazlewood until contracts based on first had been concluded.

Smith advised that only four houses be built.

Everything settled.

Stations where houses were put up: (1) Buda.

(2) Nordland.

(3) Linköping.

(4) Port Savanne.

\$17,730 amount paid.

Not usual for works to be let on the authority of Chief Engineer.

14057. But, in the meantime, instructions of a different character had been forwarded to him, which instructions did not reach him before the contract was concluded: is that the nature of the matter?—Yes.

14058. There is no complaint that Mr. Hazlewood acted improperly or without due care?—No; there is no complaint.

14059. Has there been any dissatisfaction with the substance of the agreement—I mean as to price paid or as to terms?—No.

14060. Has the contract been entirely fulfilled?—No.

14061. Why not?—Mr. Marcus Smith, the acting Chief Engineer, advised that only four of the houses be finished, the four others were not built.

14062. Has there been any claim on the part of the contractor because of the suspension of the work in that way?—No; everything is settled.

14063. Was there any complaint against the character of the work as done on those which were finished?—I have nothing before me to show that. I do not think there was.

14064. Do you remember the names of the stations at which the buildings were put up?—Buda.

14065. Was that a log or a frame building?—I cannot answer that without referring to the engineer's estimate.

14066. What is the next station?—Nordland.

14067. What is the next?—Linköping.

14068. What is the next?—Port Savanne.

14069. According to the terms of the contract, as I understand it, the whole prices of those station houses of frame, which is more expensive than log, with the platform added, would be about \$11,000. In Mr. Fleming's report of 1880, under the heading of "Amount paid" appears a sum of \$17,730 opposite this contract: what is the explanation?—I must refer to the engineer's estimate before I can give an explanation of this item.

14070. Was it usual that contracts of this character should be made by the engineer directly or by the Secretary, or some one in the Department itself?—If the work had been more accessible it would have been made by the Department itself and not by the engineer.

14071. I do not mean the resident engineer, I mean the Engineer-in-Chief, because I see from this correspondence that the only direction to Mr. Hazlewood proceeded from Mr. Fleming?—It was not usual for works to be given on letters from the Chief Engineer, but you will notice, in Mr. Fleming's letter to Mr. Hazlewood, Mr. Fleming says: "The Department authorizes the erection."

14072. Have you any record of a communication to that effect from the Department to the engineer?—I have not found any.

14073. Will you please ascertain if there is such a document?—Yes.

14074. Was there at any time any question raised that this contract was not let to the lowest tenderer: no difficulty on this subject?—Not that I am aware of.

14075. Is there any other matter connected with this contract which you think proper to explain in your evidence?—No.