

**Ties—Contract
No. 59.**

597. Has that prevented the matter from being closed?—We did not accept that estimate of the ties, and they are now again being recalled by another man.

598. For your benefit?—No; by the Government.

Third Inspection. 599. That is, then, a third inspection?—A third inspection is now going on.

600. At first, I understand, you had a certificate from him that the contract was filled and the ties were satisfactory?—Yes; the certificate was got from Mr. Rowan for the purpose of using it in the bank.

601. Why in the bank?—The bank required some authority to enable us to get the money to pay the men. Our ties were got out by sub-contract. Our agreements with the sub-contractors were that we should pay them for ties as accepted by the Government: anything not accepted by the Government we would not pay them for. On Mr. Rowan's certificate, our sub-contractors claimed payment for that number of ties.

**Sub-contractors
paid on 100,000
ties.**

602. What number?—The number certified by Mr. Rowan, 100,000, and we paid them on his certificate.

**Balance of \$6,000
or \$7,000 still due.**

603. Do you mean that you are not able to place yourself in the same position in consequence of their not being finally accepted by the Government?—There is a balance of six or seven thousand dollars still due us on that contract.

604. And is that the dispute between you and the Department on account of this subsequent inspection?—Yes.

**Rowan's letter
gave impression
that his first in-
spection was
absolute.**

605. At the time of this first inspection upon which you paid your sub-contractors, was it not understood with Mr. Rowan that it was only a temporary arrangement and for your benefit, so that if it was subsequently ascertained that the ties were not all there the whole amount should not be claimed?—Not at all. His letter to us conveyed the impression that the contract had been completed and the estimates forwarded to Ottawa for final action in the Department.

606. There was no understanding between you and him that it was done for your benefit temporarily?—Certainly not.

607. You understood it to be an absolute acceptance for the fulfilment of the contract?—Certainly; otherwise we should not have paid our sub-contractors until the final estimate had been made.

608. Is there any other matter within your knowledge relating to the Pacific Railway which you think should be mentioned?—Not that I am aware of.

**Railway—Con-
tract No. 15.**

**Not enough tim-
ber on Sec. 15 to
build trestle
work.**

609. Do you know whether there was sufficient standing timber on section 15, suitable for trestle work as originally mentioned in the specification?—No; there was not enough timber on the contract to build the trestle work.

**Character of
country must
have been well
known before
line located on
Sec. 15.**

610. Referring to the kind of country over which section 15 had been located, was it well known before the location of the line?—It must have been known, the surveys had been in progress for some years in that section of the country.