

9-10 EDWARD VII., A. 1910

While Mr. Lumsden states in his evidence that he was dissatisfied with the classification, he continued approving and certifying the monthly estimates based upon this classification. He was, however, eventually compelled to take some action by the receipt of a letter from Mr. H. A. Woods, assistant chief engineer of the Grand Trunk Pacific Railway Company, of date the 7th October, 1907, filed as Exhibit No. 10 (page 148) in which he complained of the classification of material on District 'B,' particularly with reference to an alleged over-return of solid rock.

Inasmuch as the rental payable by the Grand Trunk Pacific Company to the Crown is based upon a percentage or the actual cost of construction, that company has of course a direct interest in minimizing that cost, and the evidence shows that the company exercised fully its rights under the contract of maintaining engineers upon each district for the purpose of careful surveillance. These engineers had full access to the work as it proceeded, as also to the records of the commissions' engineers, and were fully conversant with the methods of classification in vogue.

In his letter above referred to of October 7, 1907 (Exhibit No. 10) Mr. Woods made the following statement:—

In nearly every case where the cuttings were not entirely all ledge, the estimate given for solid rock is double or more than double what it should be. In fact the specifications had been entirely ignored and an excessive allowance made not by reason of an error in judgment but as I understand, by special instructions from the assistant district engineer.

And:—

'As before stated these over-classifications are not made through error of judgment, nor upon the decision of the resident or division engineers, who are fully acquainted with the character of the work, but by arbitrary orders from their superior.'

This charge in Mr. Woods' letter engaged the very careful attention of your committee, but it was established that Mr. Woods withdrew the statement during an interview held at La Tuque on the 25th October, 1907. Mr. Lumsden in his letter of October 30, immediately after the La Tuque interview says:—

'It appears Mr. Woods must have been in error when he stated that 'the specifications had been entirely ignored and an excessive allowance made, not by reason of an error in the judgment, but, as I understand, by special instructions from the assistant district engineer,' or, as stated by him in the latter part of his letter, by arbitrary orders from their superior.' (Exhibit No. 13, p. 151.)

And when questioned respecting the La Tuque interview Mr. Lumsden said:—

Q. Did he not in the presence of all those gentlemen make a pretty full withdrawal of it?—A. He retracted it. My recollection is he retracted that statement altogether.

Q. And so far as you are concerned, and as far as your knowledge of your engineers is concerned, are you able to say whether there was a tittle of truth in Mr. Woods' charge that the classification had been made by arbitrary instructions from superiors?—A. No, I don't know anything of any such instructions.

Q. Do you believe that any such were ever given?—A. No, I can't say that I do.

Q. Have you any reason to suspect that any such were ever given?—A. I can't say there were. (P. 225).