

*By the Chairman:*

Q. Do you buy all your ties by tender?—A. Yes, I think we do. There may be a few odd lots here and there, but the amount we would buy without tender would be a very small percentage of the total, if it were even one per cent.

Q. Is there much competition?—A. A fair amount of competition.

Q. Are there any old tie contracts left over from the time before the companies were united?—A. I do not think we have any old tie contracts; there may be one or two. There is an old contract which runs out this year.

Q. For how long are these contracts usually made?—A. A year, ordinarily. You ordinarily buy your ties year by year, unless there is some exceptional reason for doing otherwise.

*By Mr. Kyte:*

Q. Do you endeavour, so far as possible, to purchase ties for the railway in the locality where they are to be used? For instance, in each province, do you seek to get a separate supply of ties?—A. Broadly speaking, that is the policy.

Q. For instance, there are no cases where ties are taken from Ontario to Nova Scotia, or vice versa?—A. I do not think it would extend that far. You might get points that would be somewhere near the boundary, but I think broadly speaking the answer to your question is "yes".

*By Sir Henry Drayton:*

Q. Did you say you have an old contract which has not run out yet?—A. I think it runs out this year.

Q. When was it made?—A. (To Mr. Brown) When was that made?

MR. BROWN: I could not say.

Major BELL: It was made before the Board of Management took over the company.

The WITNESS: I have a recollection that that contract was of either three or five years' duration. I know I looked into it some months ago.

*By Sir Henry Drayton:*

Q. What was the price? Can you give me a substantial figure?—A. I could not give you that, but we can easily get it.

*By the Chairman:*

Q. What is the usual method adopted for calling for tenders, advertising?—A. Usually invitations are sent to the principal tie contractors, and they are asked to send in their sealed bids as of a certain date and hour, and the bids are opened by the Purchasing Agent and the contract is signed with the lowest responsible bidder.

Q. Can you say about how many tenders would be received, approximately, on any one contract?

*By Mr. Stork:*

Q. In the Prince Rupert section on the old Grand Trunk Pacific, which I think is perhaps one of the best tie districts on the whole system, there is a good deal of competition. There are about 12 or 15 reputable tie contracting firms, and there is tremendous competition there. Among the principal ones are Hanson, McNeill, Jennings, and a lot of others, and they watch it very carefully.—A. You always have to consider this factor. You must not drive your tie contractors down so far as to put them out of business, or you may ultimately find yourself in a position where you have not anyone to depend upon at all. (To Mr. Brown) Have you any idea about how many bids we would get on each job?