Railway struction-Contracts Nos. 14 and 15.

On the 3rd of April, Mr. Campbell telegraphs to Mr. Braun:

"Our inability to qualify was owing to Wallace being sick. Will be "in Ottawa and explain. Hope it will have no effect on 15. Notify me " at St. Catharines on 15."

Advertisement asked for tenders for 14 and 15 at the same time.

1053. Were tenders asked for relating to sections 14 and 15 by the same advertisement?—Yes.

Parties tendered at same time for 14 and 15.

1054. Then were these parties tendering also for section 15?—Yes.

1055. Were tenders asked for more than once concerning sections 14 and 15, or either of them?—Once for section 14 and three times for section 15.

1056. Upon this occasion, tenders were asked by the same a lvertisement for the both sections?—Yes.

Do you mean section 15 as let by the last contract, No. 15? Is that what you mean by section 15?—It is the same length.

Length of contracts.

1058. How far east does it extend?—At page 388 of Mr. Fleming's general report, 1877, the length of 14 is given as 77 miles, and at page 389 the length of 15 is given as $36\frac{1}{2}$ miles.

Contract No. 14.

1059. Returning to contract 14, was that telegram, which you have read, the last of the negotiations with Campbell or Wallace & Co.?-Yes.

Work awarded to second lowest tenderer.

1060. What steps, if any, were then taken as to the next lowest tender?-The work was then awarded to the second lowest tender.

By verbal order of Minister.

1061. In what manner was it awarded. By Minute in Council, or order of the Minister, or how?-It was awarded by order of the Minister.

1062. Have you any record of the award ?-There is no record.

1063. Verbally, do you mean?—It must have been verbally, for I have no record in the office.

1064. Was his decision communicated to the persons who made the next lowest tender?—I have nothing before me, but I shall refer to the documents of the office.

Braun writes to Receiver-General that Sifton & Ward are to deposit to his credit \$20,000.

1065. What is the next communication you have, either to or from those parties who made the next lowest tender? - I have here a letter dated 28th April, from Mr. Braun to the Receiver General, which is as follows:-

"I beg to inform you that Messrs. Sifton & Ward, contractors for "the grading and bridging of the Canadian Pacific Railway between "Red River and Cross Lake, contract 14, are required to deposit to "your credit \$20,000 as security for the due fulfilment of their con-"tract. When that deposit shall have been made you will please "transmit your certificate to that effect to this Department."

Does not think on report of Fleming.

1066. Was there any report or recommendation from Mr. Fleming contract awarded by which this contract was to be awarded to these parties?—I do not think so, but I shall be able to reply more positively as soon as the person who has gone for papers to the office returns.

Thinks the Minister must have consulted Fleming.

1067. You will remember that attached to the tender of Charters & Co., for section 13, there was a letter from Mr. Fleming recommending