

Mr. *Walsh*—That depends upon the construction placed upon the answer I have given. I say that the claim of the contractors is that there is very much less work to be done than the Chief Engineer estimated. That is the whole purport of their complaint, and our plan was to have the estimates verified in the way I have stated.

Mr. *Holton*—You say then that your plan was to found your progress estimates upon a measurement of the work actually executed, and to make payments upon the scale of prices established by the Chief Engineer? You say also that the contractors claimed to have another system adopted—to wit, to have the unexecuted work estimated, and to assume therefor that all the work in the original estimate except what was unexecuted had been executed, and that the progress estimates should be founded upon a measurement of the work remaining to be done instead of the work actually executed?

Mr. *Walsh*—Yes, that would be the practical result of their claims. If the re-measurement sustained them, and showed them that there is a much less amount of work to be executed than we say there is, then they would be clearly entitled to credit for the difference between what we have had returned to us and what they claim, because the work is not there to execute, and theirs being lump sum contracts they would be entitled to that difference.

Mr. *Holton*—Did you ask Mr. Marcus Smith, the engineer of the district, to act upon the contractors' representations, involving a complete departure from the system adopted when the work was let out, and did he decline to do so?

Mr. *Walsh*—We gave no such instructions. In every instance where the contractors made complaint to us we said we were bound by the estimates of our engineers, that we could not accept a less estimate of the amount of work to be done than they had given us, that as they were interested parties we could not take their statements upon that point, that we must sustain our engineers, but that if they got engineers of standing and reputation to make an estimate for them we would be prepared to enter into a comparison in order to verify the reports of our engineers.

Mr. *Holton*—Still their complaint was that these reports were inaccurate, and it led to the withdrawal of Mr. Smith. Their complaint was that he adhered to the system established by the Chief Engineer in making out his estimates, and declined to proceed upon any other system—to wit, the estimation of the unexecuted work. I have no further questions to put upon that branch of the subject.

Mr. *Walsh*—I will give you the names of the sureties. For Tuck's contract they are W. F. Harrison and Thomas M. Reid; for McGreevy, Timothy Kavanagh and Edward McGillivray; for Boggs & Co., Charles Graham and C. Sutherland; for Berlinquet, Dunn and Holmes; for Bertrand, Glover and Fry.

Mr. *Holton*—While upon this subject of the sureties, I would desire to ask whether the Commissioners know or have reason to believe that in any of these cases the sureties are interested in the result of the contract apart from their position as sureties?

Mr. *Walsh*—We have never made the enquiry.

Mr. *Holton*—What is your impression or knowledge upon that point?

Mr. *Walsh*—I have no knowledge. My impression, if it is good for anything to mention it, would be that persons who become sureties to so large an amount would wish to be indemnified in some way; but as to any of these cases, I have no personal knowledge at all.

Mr. *Holton*—Have these claims of the contractors been urged or seconded by complaints or representations on the part of the sureties?

Mr. *Walsh*—Yes.

Mr. *Holton*—In which cases?

Mr. *Walsh*—There have been representations by the sureties in the cases of Berlinquet and Bertrand, and I think also in other cases, but I cannot speak with certainty.

Mr. *Holton*—In these cases of Berlinquet and Bertrand, however, the sureties have made representations?