

6th. During the winter of 1870-71, the Hudson's Bay Company sent a statement of account to the Public Works Department, Ottawa, for payments and supplies made for the road, amounting to £4,723 5s. 9d. sterling. This account Mr. Dawson refused to certify to, as it had not been made out properly, and no proper vouchers accompanied the statement; but he recommended (see letter marked "B," p. 7) a payment of \$20,000 on account, and the Government subsequently paid \$15,000 to the Company;

7th. In the month of August, 1871, Mr. Buchanan, a clerk in the Public Works Department, was sent by Mr. Dawson to Fort Garry to see that the accounts of the Hudson's Bay Company against the Government were made out in the regular way required by the Department. Efforts were then made to procure regular pay-lists and vouchers, although the moneys had been previously paid. These pay-lists and vouchers were obtained by Messrs. Buchanan and Spence, who pronounced them all to be signed by those to whom the amounts were originally paid, with the exception of those of one Charles Nolin, to several apparently different signatures, to which the attention of the witnesses was specially called. From this date, November, 1871, the regular Departmental system of payments, pay-lists, &c., was introduced;

8th. Up to the 26th January, 1872, the total claim of the Hudson's Bay Company was £24,376 10s. 5d. sterling; the commission upon which was £2,435 10s. 2½d sterling. Mr. Dawson asked a reduction of five per cent. on the charges for supplies made by the company, which he considered too high, and also maintained that out of the ten per cent. commission agreed upon, the company should pay the cost of the staff who managed the work on the road. The company agreed to take the five per cent. off the commission on the supplies embraced in their account, which amounted to £249 16s. 0d. sterling, but the payment of the staff is still in dispute. The Government have, in consequence, retained some \$12,000 in their hands until the point is settled.

9th. "The accounts of the Hudson's Bay Company subsequent to 1871, above referred to, up to 1st January, 1873, for construction and transportation amounted to \$66,593.78. There remains unpaid \$12,092.76. The amount due the company on last year's operations is \$44,462.41. This has not been paid because the appropriation was exhausted." (See Mr. Dawson's evidence.)

10th. The number of employees, including carpenters, engineers and shipwrights engaged on the route last season was 370, of whom 100 were unavoidably left behind during the winter, in consequence of the police force being sent up so late last fall. There were seventy teams engaged. Other than the mounted police and other business of the Government passing over the route, 1,660 passengers, and \$4,085 worth of freights were carried last year, the receipts from passenger traffic being about \$19,000;

11th. Of the character of the road, Mr. Dawson says it is "a very good road except about eight or ten miles of swamp" which needs improving; and of the Fort Garry section, Mr. Spence says it "would be considered a good road with the exception of a large portion of prairie between Point du Chêne and Fort Garry; parts of that have never been completed." Taking the road all through he "considered \$2,650 per mile an expensive price;"

12th. In judging of the management of the Fort Garry section of the road, as well as the total cost of the work for construction and transportation, the evidence claims that the state of insurrection in which Manitoba was at the time should properly be considered, as well as the additional expense forced upon the work by the conveyance of the military expedition under Colonel Wolseley, and the haste necessary to make the road from the north-west angle of the Lake of the Woods to Fort Garry passable for the wroops.