The Ministers in looking over the tenders received for that work observe that the offer made by Messrs. Charlebois, Shanly & Co. is not the lowest, and in the absence of further information shewing sufficient reasons for the acceptance of that offer, they request me to inform the Quebec Harbour Trust that they cannot approve their recommendation.

I have the honour to be, Sir,

Your obedient servant,

(Signed)

F. BRAUN,

Secretary.

ALEX. Woods, Esq., Chairman, Quebec Harbour Trust, Quebec.

Certified.

(Signed) A. H. VERRET,

Secretary-Treasurer.

Harbour Commissioners' Office, Quebec, 22nd March, 1879.

> HARBOUR COMMISSIONERS' OFFICE, Quebec, 17th June, 1878.

Sir-I am directed by the Quebec Harbour Commissioners to acknowledge the receipt of your letter of the 8th inst., wherein they are informed that the "Ministers in looking over the tenders received for that work,"—(the Graving Dock)—"observe that the offer made by Messrs. Charlebois, Shanly & Co. is not the lowest, and in the absence of further information showing sufficient reasons for the acceptance of that offer, they request me to inform the Quebec Harbour Trust that they cannot approve their recommendation."

The Board desire me to say they regret that the documents already placed before the Ministers, including the report of the eminent firm of engineers responsible for the proper construction of the dock, as also the Minutes of the Board which, after lengthy deliberation, arrived at the uranimous decision as submitted to the Ministers, have not been thought sufficient to induce them to approve the award. They unanimously feel, notwithstanding after a further consideration of the whole question, that they cannot do otherwise than reiterate their recommendation, supported by the chief and the resident engineers, feeling indisposed from all the information they have been able to gather as to the personal standing of some of the three lowest tendering firms, as well as the evident lack of practical experience and financial strength of others composing the same, they did not consider it expedient to award the contract to any one of them.

The Board regard the proposed dock as a work of character unlike, in some respects, any which so far has been carried out in this country, involving a thorough compliance with specification in all its details, or a possible failure ere its completion, causing loss and damage, which even extraordinary guarantees would be insufficient to provide against. The Board are therefore strongly of opinion that the only safe way to procure such a construction, as is imperative, will be found in awarding the same to contractors in whom they can place confidence, and at such as it is known the work, if honestly performed, must cost, even should the present low rate for wages and material continue for the next three or four years, which is doubtful.

This part of the subject is further dealt with in a report, herewith enclosed, from Harbour Engineers, to which the Board would respectfully ask the attention of the Honourable the Ministers.

The Board desire to say they regret not having communicated with the Ministers, giving details of several tenders received, prior to coming to a decision.