himself and who were under the control of the Department of Public Works. The contractors wanted changes in the contracts, and unfortunately they appear to have been able after the change of the engineers, to obtain anything they desired. It would seem that their principal object was to have these engineers out of the way in works to come. The Cross-wall was shortly to be competed for.

Mr. Valin swears in the clearest terms that Mr. McGreevy told him that it was necessary that Kinipple and Morris be removed; that the Minister of Public Works would give to the Harbour Commissioners the services of Mr. Perley; that it would cost less, &c.

Messrs. Perley and Boyd, both engineers in the Public Works Department, replaced Kinipple, Morris and Pilkington, whom the Commissioners paid in settlement of accounts a sum of \$15,000 while retaining their services as consulting engineers for three years at a salary of \$1,000 per year. Messrs. Kinipple and Morris received the full payment for their plans for the Cross-wall, although the work had not even been commenced, namely, \$5,195.83 (page 1171). Since the removal of Kinipple, Morris and Pilkington the following sums were

paid:

o H. F. Perley John E. Boyd St. George Boswell.	6,125 00
	\$31,749 90

These sums do not cover the salaries of Charles McGreevy and Laforce Langevin, appointed assistant engineers, the former for the Cross-wall and the latter for the South-wall.

However, the question of salaries is of a minor importance. For the true reason of the removal of Kinniple, Morris and Pilkington one must look at its results in the contracts for the Cross-wall in 1883, for the Graving Dock at Lévis in 1884, for the dredging in 1887, and for the Graving Dock at Esquimalt.

Boyd, a former employé of Mr. McGreevy, was recommended for the position of engineer to the Harbour Commissioners by Perley on the 28th of June, 1883, a few weeks after the passing of the Cross-wall contract and the fraudulent manœuvres which preceded it.

Before forming any judgment on the removal of Kinipple and Morris, it is necessary to read the explanations of the Harbour Commissioners with respect to their action, together with the reply of Kinniple and Morris to the notification of dismissal from the Commissioners in 1883. The Commissioners dispensed with their services without asking them for any explanation or giving them an opportunity to answer the charges made against them, one of the principal ones being that they were unacquainted with the climatic conditions of the country. They had been for ten years the engineers of the Quebec Harbour Commissioners. (See Exhibit "T1.") If it be true that they had made some mistakes, at least no charge of fraud had been brought against them.

Looking at the statements on both sides, it might he hard to condemn the action of the Commissioners were it not for the frauds perpetrated on the public subsequent to their dismissal.

No. 2.

CONTRACT FOR DREDGING OF WET BASIN AT 35 CENTS PER YARD, 23rd MAY, 1887.

The charges made by Mr. Tarte relating to the letting and carrying out of this contract have been analyzed by the counsel for the Department of Public Works in their Brief submitted to us, and as this analysis appears fair, we adopt it. It is as follows :--