

Abstract of the Hon. Hudson's Bay Company's Fort Garry Road Accounts.

	Sterling.
For August, 1871.....	£1,389 4 0
September „	2,474 3 1½
October „	612 17 10½
And to 26th January, 1872.....	1,823 4 6
	£6,299 9 6
Amount of accounts rendered from 1st August, 1870, to 1st August, 1871, as per corrected statement herewith.....	18,329 10 11
Total.....	£24,629 0 5

The ten per cent. charged on account of payments made covered everything.

The two-and-a-half per cent. commission was amount charged for outlay for the Militia Department on drafts separate from the Public Works accounts on which the ten per cent. was paid. The ten per cent. was to cover commission, interest and all charges, as paymasters and managers of the road. I thought if they received the ten per cent., they should assume the payment of Mr. McKay, Mr. Lonsdale, and Mr. Spente, and to this they seemed willing to accede. The Hudson's Bay Company still hold a claim for more than the amount in the hands of the Government, but their claim has not lately been pressed. I think the ten per cent. commission agreed to be paid to the Hudson's Bay Company would amount to about twelve thousand dollars. In making the arrangements, I acted as agent for the Department.

The arrangement was made by me on getting to Fort Garry, in 1870. The Hudson's Bay Company were to furnish everything at cash price. On account of high prices charged, I asked them to reduce that portion of the account which was for goods, and to this they acceded. They said if I deducted the cost of the staff, they must be allowed the full amount of the ten per cent. charged on the whole account. The matter now remains in abeyance. Work under that system ceased in the fall of 1871. We then carried it on in the usual way of public works. During last year we organized a new system of payments, which are now made through the Merchants' Bank, on the certificate of the Deputy Receiver General of Manitoba. This system was carried into operation last spring. The ten per cent. referred to would not have been more than equivalent to the interest of the money. The loss of stores by the insurrection would be about twenty thousand dollars; we could give particulars for the greater part of it. This does not include loss of stores under Governor McDougall, of which I know nothing.

The Hudson's Bay Company charged about the same price as other merchants. In 1870 scarcely any provision could be got. I bought some supplies from other parties, and the prices were about the same as those charged by the Hudson's Bay Company. I thought, however, that as we were dealing so largely with them, they should have made the prices considerably lower; and they have since made some reductions.

The officers in charge of the road, Messrs. McKay and Lonsdale, made the measurements. They are good, practical road-makers. Some of the men were paid by the day, and some by the job.

Question.—If the Hudson's Bay Company should have charged in their accounts, eight pence per pound for beef, when it could have been obtained for eight cents, would you have considered that an overcharge?

Answer.—I would most certainly have considered that an overcharge; but no such case occurred.

A statement shewing the money voted and spent on the *Dawson Road*, including all outstanding accounts separately, also the working expenses and ordinary expenditure, was handed in here, marked F., and is as follows:—