

APPENDIX No. 3

places materially changed, which he says would account for a great deal of difference in the cost. The actual quantities found were in cases totally different from those estimated. There was no estimate made in these figures for train haul. Another very important item was that a large amount of side-hill work was encountered, a notable example being some twenty miles upon the St. Maurice river, where the whole side of the hill, 150 feet high, required to be removed, increasing the cost by at least four or five times the amount estimated. At La Tuque it was necessary, in order to obtain the required grade to make a detour of some six miles. There was no estimate for carrying rock cuttings one foot below grade. In addition to these there are several items set forth in the evidence of Mr. Doucet, pages 559 and 560, and in the comparative statements prepared by Mr. Doucet and Mr. Poulin, filed as Ex. No. 100, p. 604, and as Exhibit No. 111, p. 679.

The estimate of \$114,000,000 was subsequently compiled by Mr. Lumsden from the reports of his assistant engineers, and as appears by the evidence was incomplete, but according to the evidence of Mr. Grant will not be exceeded in the actual cost to any great extent. Mr. Grant says, 'there will be no great difference between the actual cost and the \$114,000,000 estimate' (p. 540) exclusive of terminals and other items which were not included in the estimate.

At an early stage of the proceedings Mr. Lumsden indicated that the only difference between him and the engineers under him was one of professional opinion.

Mr. Lumsden was repeatedly asked whether he had any reason to suspect the good faith of the engineers acting under him, and he very frankly stated that it was merely a difference of opinion between them, and that he could not agree with their classification, but that he did not doubt their integrity and honesty of purpose. The following extracts from the evidence given by Mr. Lumsden show that he withdrew all imputations against the engineers either as to their disregard of instructions or as to any improper motives on their part. We find on page 208 he said:—

Q. I might just ask you the question now that the same difference of opinion exists on District 'F' between you and the district and subordinate engineers as on District 'B' with regard to this cemented material or assembled rock?—A. I think so.

Q. And the question on that district is, to all intents and purposes, in identically the same position as on Section 'B,' isn't it?—A. I think so, practically the same.

Q. Practically the same. It is a difference between you and the district and subordinate engineers as to the interpretation of that clause of the specification?—A. Yes, and of my interpretation of it.

Q. And of your interpretation of it—quite so.

By Mr. Moss:

Q. I would like to ask Mr. Lumsden if he makes any suggestion or any complaint regarding the professional capacity, integrity or ability of these engineers?—A. The professional capacity of some of the resident engineers I know nothing about.

Q. You make no charge—?—A. I make no personal charge against any one of intentional wrong-doing.

Q. And you do not as far as Mr. Poulin is concerned?—A. No, I do not as far as Mr. Poulin is concerned.

Q. You make no charge as to his capacity or integrity, or his attention to the work?—A. No, I make no charge of that kind.

Also on page 329:—

Q. You adopted the course of resigning in a letter couched in terms as would destroy public confidence in the whole engineering staff?—A. No, I don't think so.