

## REPORT.

The Select Standing Committee on Public Accounts beg leave to present, as their Second Report, a "digest" of the evidence taken in reference to the "Dawson Route," with the full evidence and letters from Mr. Dawson appended.

All which is respectfully submitted.

JAMES YOUNG,  
*Chairman.*

COMMITTEE ROOM,  
Friday, 22nd May, 1874.

### DIGEST OF THE EVIDENCE TAKEN BEFORE THE SUB-COMMITTEE.

The evidence taken before the Sub-Committee appointed on the "Dawson Road" shows:—

1st. That the first estimate of the cost of the road from Fort Garry to Fort William was \$250,000 ;

The total expenditure, according to statement laid before the committee (see paper marked "F", p. 10), was \$1,294,887. 82, of which \$798,812.97 was for construction, plant, buildings, &c., and \$496,074.85 for transportation expenses. The cost per mile of waggon road (leaving out the water way) has been nearly \$2,700 ; but it is claimed by Mr. Dawson that the road, plant and buildings are more extensive and better than his original estimate contemplated.

2nd. That the Fort Garry section of the road was first begun under Mr. Snow's superintendence in the fall of 1868. At the breaking out of the insurrection in 1869, the people stopped his work, and the stores he left, amounting in value to about \$20,000, were carried off. These provisions were stored at Oak Point. Acting under Colonel Wolseley's proclamation, when taking up the expeditionary force in 1870, the Hudson's Bay Company commenced to complete this section of the road so that the troops could pass over it. They engaged the Hon. James McKay as superintendent, with Mr. W. P. Lonsdale as an assistant, and the work of construction was re-commenced in the month of July, in that year ;

3rd. Mr. Dawson, who shortly afterwards arrived in the territory, confirmed the engagement of Mr. McKay and Mr. Lonsdale, and the work continued under instructions from the Public Works Department, at Ottawa, the Hudson's Bay Company acting as paymasters, and continuing to take an active supervision in the prosecution of the work ;

4th. It was agreed that the Hudson's Bay Company should receive 10 per cent. on all payments made by, and on all accounts of stores purchased from them, in lieu of all commissions, interest, or other charges. The work went on steadily during the summer of 1870, but the evidence goes to show that the system of management, both as to construction and payments was, to say the least of it, unbusiness-like and loose. The work was done partly by day labor, and partly by small contracts, given out by Messrs. McKay and Lonsdale. No proper books seem to have been kept, and the payments were principally made by orders for lump sums on the Hudson's Bay Company, no proper pay lists being made out, or proper vouchers taken from the workmen for payments made to them ;

5th. Supplies of various kinds were largely purchased from the Hudson's Bay Company's store, and it appears that the superintendent, Mr. McKay, had himself furnished supplies from his *own* store to the value of \$1,704, for which there appear vouchers from himself as having received payment therefor ;