

As soon as I returned to the country and discovered there was a difficulty, I gave orders that no further certificates should be issued in the contractor's favour until we ascertained what the nature of the difficulty was.

"22023. Could you say about what time you first knew of it?—Yes, by referring to a letter which I wrote. It was about the end of 1878. I have sent for the letter.

"22024. You have spoken of the system of measuring the quantities left in the work instead of those actually excavated; it is generally understood, I believe, that rock makes a larger quantity in the embankment than its cubic contents before it is excavated?—It does.

"22025. What is the rule about rock: is that usually measured in excavation?—Yes; that is always measured in excavation—always.

"22026. Why is it that it is not measured in the embankment?—Because it can be very readily measured in excavation. The muskeg material, I hold, cannot be accurately measured in excavation—it cannot be measured at all.

"22027. Then, do I understand your objection to measuring it in excavation to rest on the impossibility of measuring the quantity excavated?—Yes; my objection to measuring muskeg excavation or to measuring anything else.

"22028. Do I understand you to say that when this first came to your knowledge, I mean the difficulty of measuring muskeg material, that you instructed the engineers under you no longer to permit it to be measured in that way?—I at once took steps to ascertain the precise nature of the difficulty, and gave positive instructions that no certificate thereafter should be issued in the contractor's favour.

"22029. You mean based on the quantity of muskeg taken out?—Yes."

APPENDIX No. 11.

DOCUMENTS RELATING TO THE RETIREMENT OF MR. SANDFORD FLEMING FROM THE OFFICE OF ENGINEER-IN-CHIEF.

LETTER from the Secretary of the Department of Railways and Canals, enclosing an Order in Council appointing Mr. Sandford Fleming to a position combining the Offices of Consulting Engineer for the Canadian Pacific Railway and Chief Engineer of the Intercolonial Railway.

DEPARTMENT OF RAILWAYS AND CANALS, CANADA.

OTTAWA, 3rd June, 1880.

SIR,—I am directed to enclose, for your information, a copy of an Order in Council, dated the 22nd ultimo, appointing you Consulting Engineer for the Canadian Pacific Railway and Chief Engineer of the Intercolonial.

I am, Sir, your obedient servant,
F. BRAUN, *Secretary.*

SANDFORD FLEMING Esq.

COPY of a Report of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor General in Council, on the 22nd May, 1880.

On a Memorandum, dated 11th May, 1880, from the Honorable the Minister of Railways and Canals, having reference to the Intercolonial Railway, stating that a considerable number of suits brought against the Government by the contractors have been left undecided; that it would be a very difficult matter for any one except the Engineer who was connected with the work from its inception to satisfactorily perform the service of finally adjusting and settling such claims, and recommending that Mr. Sandford Fleming, formerly Chief Engineer on said railway, be relieved