

says :—" Should a change be made, I should feel grateful by your bearing me in mind, " and I will undertake to complete the contract in a manner to meet your approval for " the sum named, and within the time specified." Would you draw from that that he was anxious to get the contract?—It would bear that construction.

1650. Can you read it in any other way?—It will bear, I dare say, the construction you say. It would certainly look like it.

1651. I hold another letter, bearing same date, which has this paragraph. " Should " it be decided to transfer the contract, I am prepared for this sum to complete it in a " thoroughly permanent and solid manner, and will undertake to have within one week " after signing contract, 300 men at work to give you a good waggon road over " the whole section by 1st November next, and by that day twelvemonth to hand you " over the contract, finished to the satisfaction and approval of yourself and colleagues." Taking that in connection with letter just read, does it not now strike you that Mr. Fitzgerald had a desire to take the contract from Gough?—He might have had that desire.

1652. Is that not the only inference to be drawn from it?—It is not an unnatural one certainly.

Mr. Fleming further examined

By Mr. Mills :—

1653. Have you sent this letter, which I will now read?

" OFFICE ENGINEER-IN-CHIEF,
Intercolonial Railway.

" MY DEAR SIR,—I have particularly to request that you will make no reduction in " the water-way of any of the structures on any of the contracts in your district without " first consulting me and obtaining my consent. I should like also to adhere as much as " possible to the plan of structures already determined upon. The size of and character " of structures has been generally established by the observed discharge of streams. You " are aware that the first two years have not been favorable for obtaining information " respecting the *heaviest freshet* discharged, and therefore, while circumstances might " demand an increase in size, it would be extremely unsafe to allow a reduction. I " mention this now because it is not improbable that some of the contractors may " endeavour to have a reduction made under the pretence that they are not needed so " large. The structures have, however, been decided on deliberately without pressure of " any kind from any quarter, and if there ever was any reason for the dimensions given " in the schedules, the same reason must exist now as formerly, and therefore, they should " not be changed, at all events reduced, without due consideration.

" Yours very truly,

(Signed,)

" SANDFORD FLEMING."

—I remember that letter.

1654. Did you address one to all the District Engineers?—Every one.

1655. If any District Engineer undertook to make reductions on structures without having first had your sanction, would that have been an improper proceeding?—It would.

1656. Had Mr. Fitzgerald your sanction to make the reductions he made?—He had not.

1657. Have you heard his testimony before this Committee?—Part of it.

1658. Do you know if his testimony shews that he acted according to your instructions?—I do not remember of hearing anything that bore upon this point.

1659. Was it any part of the duty of a District Engineer to take notice of any complaints or statements made by the Divisional Engineer?—Certainly it was.

1660. Supposing the District Engineer were to make any alterations or changes, who should receive information with regard to it; the Contractor or the Divisional Engineer?—The Divisional Engineer.

1661. Here is a letter dated Bathurst, 8th December, 1873, from Mr. Fitzgerald to Mr. Light.

" BATHURST, 8th December, 1873.

" DEAR SIR,—Enclosed please find November estimate. I regret I could not send