

The Company asked for this section a 4 per cent. guarantee on \$60,000,000, and undertook to complete the work to the satisfaction of the Government within these figures.

The Company offered to reconstitute the Board of the Canal Company, appointing Directors on the Canal to be approved by the Government. They also offered to associate an Engineer named by the Government as joint Engineer with the Company's Engineer, for the construction of the work; and that all payments for construction of works should be made against certificates duly approved and signed by both Engineers. They also proposed to extinguish the British Syndicate, who had provided the preliminary expenses and surveys, repaying them their reasonable costs and expenses, and cancel the Contracts for construction already entered into. They also offered to establish the headquarters of the Company at Ottawa or Montreal as the Government might desire.

The Canal was to have a minimum depth of 22 feet and a minimum width of 200 feet, with Locks 600 feet long, 65 feet wide, and 24 feet deep.

Sir Robert Perks had interviews with the Minister of Public Works, Mr. Rogers, and the Minister of Finance, Mr. White, and explained in detail the proposals of the Company, and the financial arrangements which the Company was in a position to make.

In the interviews which Sir Robert Perks then had with the Prime Minister and his colleagues he was assured that the Government fully intended to proceed with the building of the Canal when the financial situation permitted; but that the monetary claims arising from the great cost of the Transcontinental Railway and the demands made by the Canadian Northern and the Grand Trunk Pacific Railways made it very difficult for the Government just then to commence the Canal works or to make a definite pronouncement as the Prime Minister had hoped to do.

Cost to the
Canal caused
by the
appointment
of
Commissions

54. Reference has already been made in this memorandum to the serious expense and delay caused to the Company from 1904 to 1909 by the appointment by the Government of an Engineering Commission to enquire into the detailed cost of the Canal works. The Company quite recognised the importance and the value of that work to the Government, who could hardly be expected to accept the figures of the Canal Company's Engineers, especially in view of the estimates given by Mr. Tarte. The Company make no complaint as to the appointment of the Commission.

This Commission lasted five years, and cost the Government about \$800,000 to \$900,000. The result was that the Commissioners substantially agreed with the estimates and plans which had been previously prepared and presented by the Canal Company.

The Canal Company, however, little expected that another Commission would be considered necessary.