

1638. Have you, as a universal rule, always been instructed by Government to give contracts to those who tendered lowest?—Yes.

1639. Where you considered parties gave sufficient sureties, you always gave it to the lowest tender?—Yes.

1640. Did not the Government show a desire to give it to the lowest tender without shewing favor to anybody?—No doubt. That was the feeling that actuated them in giving it to the lowest tender.

1641. Did you ever know an instance, during the whole of these lettings, of any party's tender having been neglected on account of political leanings?—No.

1642. When Mr. Mills asked you whether or not political influences had something to do with the lettings on the Intercolonial, and I asked you the same question more specially with regard to this letting, what was your answer?—I had no reason to suppose there was any political influence in this case.

1643. Were you asked to show any special favor to contractors on this section?—I was not.

1644. Was not the progress of the work in autumn, 1873, much more satisfactory than in the previous year?—Yes. I think the returns made by the Chief Engineer had been larger in 1873 than in the previous year.

By Mr. Mills :—

1645. Can you tell us what amounts have been paid in each year on the returns?—The total amount paid by the Engineer's certificate up to 31st March, 1872, was \$54,000; to the 30th November, 1872, the amount was \$93,000; up to 31st March, 1873, there was \$102,000; up to 30th November, 1873, it was \$130,000, being \$28,000 larger than that paid up to March, 1873.

1646. You have already stated that there was no difference in the mode of your treatment, so far as shewing favor to this section any more than other sections?—I acted on the same principal to all. So far as advances are concerned, advances were made to almost all the contractors. You will find in the printed reports, among the general remarks, the following :—

“ The contractors upon the whole (with the exception of Section 12) have in view of the difficulties to be overcome, carried on their work in a satisfactory manner during the past year. The heavy increase which has taken place in the price of all labor and materials since most of these contracts were let, has added largely to the cost of executing the work. If any of the contractors had failed, and the works had been re-let, it could only have been done at considerably higher rates.

“ The Commissioners, under the circumstances, believed they were acting in the interests of the country, and securing the economical completion of the line, by affording the contractors every reasonable assistance that was possible within their contracts, when they were satisfied that every effort was being made to fulfil the terms of each contract. The Chief Engineer was instructed, when it could be done without affecting the general character of the work, to make any changes that he might consider feasible tending to diminish the total quantity of work to be executed. A careful study of the location has enabled this to be done in several instances, and in some cases with a possible improvement in the whole work.

“ Where possible, also tunnels in the solid rock have been substituted for culverts, this being both a decided improvement and an economical arrangement.”

By Mr. Scatcherd :—

1647. Was it necessary that fencing on this line should be dispensed with?—As the line ran through an entire wilderness, with no habitation or settlement of any kind near it, it was thought unnecessary to put any fencing there.

1648. When Mr. Buck was sent down upon this road, was it to ascertain the quantity of work to be done, or to revise and correct the quantities of work executed?—To show what remained to be done.

By Mr. Mitchell :—

1649. In reading this letter of Mr. Fitzgerald's, dated 22nd July, 1873, where he