

value of the iron used in the erection of the Chaudière Bridge, imported by Messrs. Clarke, Reeves & Co., to be five dollars and twenty-five cents per hundred pounds, and that duty should be collected on that value.

~~Mr.~~ I also enclose herewith the reports of John Taylor and Alexander Fleck.

I have the honor to be, Sir, your obedient servant,

Z. WILSON, *Collector.*

J. JOHNSON, Esq., Commissioner of Customs.

OTTAWA, 7th February, 1881.

~~Mr.~~ SIR,—As one of the appraisers appointed by you under Section 45, 40 Vic., Cap. 10, to act in conjunction with Mr. John Taylor, of Montreal, to make an appraisal of the bridge iron-work, imported from the United States by Messrs. Clarke, Reeves & Co., of Philadelphia, contractors for the iron-work in the Chaudière Bridge, and having throughout the various stages of this arbitration, in conjunction with Mr. Taylor, heard all the evidence adduced, and failing to agree with my co-arbitrator in the matter of our award, as the result of the investigation I beg to submit the following report:—

That, having been duly sworn and having read the appraiser's (Mr. McAgy's) report—extracts of which are hereunto annexed and the documents attached thereto—and having taken communication of the engineer's specifications as to the quality of iron required for the bridge, I, in company with Mr. Taylor, made a careful examination of the bridge from end to end. An adjournment then took place until Tuesday, 21st December, when the enquiry was opened at the Custom house.

During the time of recess I made a second examination of the bridge, assisted by Mr. Merrill, secretary of the appraisers, who is a mechanical engineer. A large number of quotations of prices from leading bridge builders in the United States, marked C, were laid before us, showing that the average value of such iron as was required for the Chaudière Bridge would be about \$4.71 per 100 pounds.

Mr. Job Abbott, Chief Engineer of the Wrought Iron Bridge Company of Canton, Ohio, testified under oath that the market value of the iron was \$4.95 per 100 lbs. at the works of the importers.

Mr. W. H. Fraser, one of the Dominion Appraisers, having visited several bridge building establishments and rolling mills in the United States, during the month of November last, for the purpose of obtaining the values of bridge iron, testified that the value of iron in various kinds of bridges was from five cents to six cents per lb. at the time of shipment by Clark, Reeves & Co., of the iron for the Chaudière Bridge.

We also had laid before us three Custom House entries, made during the past summer of bridge iron, at the Port of Clifton, Fort Erie and Emerson, when the values were five, five and a-half and five and three-quarter cents per lb. respectively. The entry made at Clifton was by Clark, Reeves & Co., the parties in the present case, who then, through their cashier Mr. I. C. Reeves, July 10th, 1880, swore that the value of the iron was five cents per lb. This affidavit the Collector of Customs at Clifton did not think satisfactory, he therefore demanded by telegraph from Clark, Reeves & Co., the market value of the iron at the date of shipment, to which a reply from the firm of Clark, Reeves & Co., stated five and a-half cents per lb.

The evidence above recited would appear very clearly to establish the fact, that the iron under seizure had been largely undervalued, but, in order that there might be no doubt on the subject, Mr. Taylor, one of the arbitrators in this case, and who represents an extensive bridge building company in the United States—the Edgemoor, Co. of Delaware, and who tendered for the bridge—forwarded the following despatch to his principals 18th December, 1880: “What would you consider fair price for wrought iron work of Chaudière Bridge, Clark, Reeves & Co's., design? Shipment was made one-half in August, remainder in October. Please be explicit, answer by telegraph here.”