side. The reason for returning this as solid rock, claimed both by Mr. McIntosh and the resident engineer, Mr. W. W. Mack, was that it was a pocket in a rock cut. Mr. McIntosh was ordered not to let this sort of thing occur again, and to return it and classify it correctly. The resident engineer estimated that some 1,800 yards of muskeg had been taken out to date, and he would have returned all this as solid rock if Major Hodgins had not stopped him.

As to these instances, Major Hodgins reported them to the chief engineer on

September 15, 1907, with a request that it should be dealt with by him.

At Mile 29, stations 1478 to 1483, the engineer in charge of that section turned in in estimate of July or August, 1907, 6,394 cubic yards of earth and 10,189 cubic yards of loose rock. Judged by the specifications there was absolutely no loose rock in sight, and a thousand cubic yards of loose rock would have been an excessive charge.

At stations 1385 and 1398 the engineer turned in in the July or August, 1907, estimate, 15,076 cubic yards of loose rock and 26,668 cubic yards of common excavation. In this case a few hundred yards of loose rock should have been allowed as there were a few boulders, but no more, as it was a pure sand cut.

4. That the Commissioners suggested that Major Hodgins should ignore the chief

engineer and act independently in regard to classification.

5. That having refused to be more liberal in classification than Major Hodgins was then allowing, he suggested that the commissioners, not being railroad men, should leave the engineering department alone.

6. That Mr. C. A. Young, a commissioner, then advised that Major Hodgins should go to Quebec and see how things were managed in that District 'B,' where

the contractors were not kicking, and get an object lesson.

7. Major Hodgins went to District 'B,' in Quebec, and returned determined not to allow Quebec classification as indicated above to be introduced into the western division so long as he remained in charge. The following is an instance noted by him in District 'B':—

In La Tuque, in District 'B,' there is a large cutting which was originally intended for a tunnel. This had a slope on one side of 120 feet and about 80 feet deep. There was no solid rock in place so that a tunnel was an impossibility. Consequently an open cut was made. It was a very large cutting containing about 150,000 cubic yards of material. The ground was a mixture of loose rock with some boulders and some earth and wet sand on top. There was no solid rock in place visible in June, 1907, so that anything that could be classified as solid rock would consist of large boulders over a cubic yard in dimension. This was classified at 86 per cent solid rock. The cut was originally classified at 30 per cent solid rock. There are numerous other instances of over classification in this section which can be shown when the production asked for is made and witnesses subpœnaed and examined.

8. Having seen an interview with the contractor, J. D. McArthur, in the Toronto 'World' of March 12, 1908, that 'the first estimate as to cost of his 250 miles was \$13,000,000, the probable cost would be close on to \$16,000,000, so many changes have been made.' Major Hodgins asserted and still maintains that as changes of location and in the standard of classification would both affect the cost of construction and that as the changes of location resulted in a saving of over one million dollars, the additional cost spoken of by McArthur is and must be due to changes in the standard of classification, and that the adoption in District 'F' of a classification similar to that practised in Quebec on District 'B' will account for the same.

9. Major Hodgins gives the instances in paragraph 3 and 7 hereof as showing that such classification exists on District 'B,' and has been introduced in District 'F,' and he asserts and intends, if given access to the papers and documents bearing upon the same, and allowed to subpœna and examine witnesses as aforesaid, to

establish that the said classification is general in both districts.

10. 'This led to trouble, and Major Hodgins got no assistance from the chief engineer,' such trouble being as follows:—