

**Purchase of
Rails—
Contracts Nos.
44—47.**

Reasons why £5 was paid under contract 45.

Rails under these contracts delivered at Montreal.

the low price?—In the correspondence I have produced you will find a letter from the West Cumberland Co. to Mr. Reynolds stating that they would not like to undertake more than 2,000 tons delivered at Montreal by the 15th of August.

14040. All those rails were delivered at Montreal, I understand, by those contracts?—Yes.

14041. Did you take from the next contractor the quantity which they proposed to sell to you—the Barrow Hematite Steel Co?—The remaining 3,000 tons were divided between the Barrow Hematite Steel Co. and the Ebbw Vale Steel Co., both at the price of £5.

14042. Contract 47 appears to be for bolts and nuts?—Yes.

**Bolts & Nuts—
Contract No. 47.**

Circulars sent to firms instead of advertising.

14043. Was that contract made with the lowest tenderer?—For contract 47 circulars were sent to the Patent Nut and Bolt Co., Bayless, Jones & Bayless, and Messrs. Horton Bros. The lowest tender was accepted.

14044. Were these English firms?—Yes.

14045. You mention the name of Mr. Reynolds: in what capacity was he acting and where was he?—Mr. Reynolds resides in London, and he was there acting as agent for the Department.

14046. Do you know whether it was discussed in the Department as to the expediency of advertising in newspapers, or in sending circulars of this kind, or at whose suggestion was this course adopted?—This course was adopted at the suggestion of the Chief Engineer, as it was urgent that rails should be obtained early in the season.

Before sending circulars, instead of advertising, the alternative courses fully discussed by Chief Engineer and Minister.

14047. Do you know whether there was any discussion as to the possibility of this mode producing as low offers as the ordinary mode of advertisements in newspapers?—Before adopting this course the matter was fully discussed by the engineers and the Minister.

(Evidence, Continued Vol. II.)