

As we had no blank vouchers, pay-lists, &c., or regular form laid down for keeping the accounts, but looked on them merely in the light of a branch of the company's business for the time being. I will be unable to furnish you with these documents. I will, however, get Mr. James McKay, as road superintendent, to verify the detailed statements and I trust you will see they are met in future as soon as received in Canada. I am getting the account for December made up and will dispatch it shortly. You will find it high as regards part of the contract work paid for in that month.

I understand Mr. McKay's report has already gone down, and by it you will see how the work has progressed. [See Report p. 20.]

Enclosed herewith you will find a copy of Colonel Wolseley's letter to me which you requested. On its receipt I issued notices in the Colonel's name, calling for men to commence the work, and went myself through the English portion of the settlement, but failed in getting a single English half-breed or swampy. None but French half-breeds offered, though it was given out and well understood that the road was to be pushed through in order to hurry in Her Majesty's troops.

Believe me very truly yours,

(Signed)

J. H. McTAVISH.

S. J. DAWSON, Esq., Ottawa.

Certified Copy,

ALPH. BENOIT,

The arrangement which was made was this, that they were to pay on the certificates of the superintendents—I authorised them to do this. I can produce copies of letters which I have written to them, giving them my authority for payments to be made in this way. Mr. McTavish represented the company when this arrangement was made.

In July, 1871, I again reached Fort Garry and inspected the work, and looked over the Hudson's Bay Company's books and accounts to see if they were made out in a proper form, so that I could transfer them to the department. I found that vouchers were in many cases wanting, and as I could remain only a few days, on my way back I sent Mr. Buchanan, an officer of the Department of Public works, to Fort Garry, directing him to arrange the accounts and put them in proper shape; see that payments had been properly made, and investigate the whole matter as thoroughly as possible, as I would not assume the responsibility of any of them in their then shape; they struck me as being intrinsically correct, and they were I suppose in the shape that the company usually kept their own accounts.

This was in 1871. We kept a set of books at Ottawa in which these accounts were regularly entered.

Late in the fall of 1871, perhaps the end of November, I went out with the troops which were sent over on account of the Fenian invasion; in the meantime Mr. Buchanan, assisted by Mr. Lonsdale, Mr. Spence and Mr. McKay, had been classifying and arranging the accounts and putting them in tabular form. I remained a few days and left them at work, and the accounts were sent down in the winter to Ottawa. I put them into the hands of the accountant of the Crown Timber Office here, who assisted me in his spare hours; and after some correspondence with Mr. Buchanan, who was then in Fort Garry, in regard to certain payments that had been made, and after getting explanations from him, the accounts were transferred to the department; the first were sent in March, 1872, and the balance in May, 1872. I did not send them in as final returns, but recommended a part payment to be made, and submitted them for examination by the department. The returns are here as they came to my hands from the Hudson's Bay Company.

The Hudson's Bay Company kept an agent on the road to pay the men working by the day, and orders sent by Mr. McKay and Mr. Lonsdale for provisions and supplies they also drew orders for money. I did not visit Fort Garry from September, 1870, until July, 1871. The Government paid upon my recommendation. Mr. Spence was employed by the Hudson's Bay Company, and paid by the Public Works Department. I never saw anything to lead me to suppose that the accounts were anything but genuine, I supposed them to be genuine in every respect and true as representing the amount. I believe that the work was done, and proper value received for the amount charged.