

The contractors seeing their right to claim damages admitted, and only the amount questioned, refused to accept the \$30,900, and suggested an arbitration. The suggestion was adopted, and arbitrators named.

On the 8th of March, 1888, Thomas McGreevy writes to his brother :
(Exhibit " B13.")

("Second letter to-day.")

"HOUSE OF COMMONS, CANADA.

"8th March, 1888.

"MY DEAR ROBERT,—Tell Murphy I have seen Perley, and he will report to arbitrators or Commission of the amount to be submitted to them, which will be on their total claim of \$814,000. At the last meeting they wanted to make it out that the amount to be submitted was the balance of \$110,000 for damages; that would be about \$80,000, instead of \$274,000, so that matter is settled. I seen Lavelle this morning; he has gone off satisfied. Foley and Leonard are here on business; I have seen and trying to do what I can for them, and will get all the information on the Sault Canal before long. The Connollys have not come yet.

"Your truly,

"THOMAS."

On the 19th March, 1888, Perley writes that the contractors should furnish the claim they intend making before arbitration. A few days afterwards they answer that their account will be the statement presented previously to the estimate of 24th January, 1887, amounting to \$814,000.

On 26th March they ask to change their arbitrator, which Perley, agreeing as he says, with Sir Hector, declines to recommend, and on the 1st of May Perley again writes, agreeing, without any arbitration, to pay them \$35,000 in addition to the \$30,900, or in all \$65,900 on their claim of \$110,000, an offer which the contractors at once accepted.

The entire cost of the Dock appears in the statement Exhibit "W17," produced by the Harbour Commissioners, and which we here reproduce, to have been \$726,901.65.

(Exhibit " W17.")

SETTLEMENT OF 13TH OCTOBER, 1888.

GRAVING DOCK, LEVIS, IN ACCOUNT WITH LARKIN, CONNOLLY & Co.

	<i>Dr.</i>	\$	cts.
To amount paid per Engineer's certificates 1 to 38, inclusive..		521,539	26
1883.			
Oct 31.—To paid them acct. vote, 24 for work done.....	\$	2,900	00
Nov. 5.—To balance of note		13,976	96
		<u>15,976</u>	<u>96</u>
1885.			
Feb. 17.—To paid Union Bank on acct. 10 per cent. drawback		25,000	00
1887.			
Sept. 16.—To Bank of B. N. America part of final certificate		77,887	18
Paid accounts as follows:—			
1887.			
Oct. 1.—Additions to engine-house.....	\$	4,285	76
1888.			
April 17.—Dredging during Sept., 1887.....		7,167	70
April 7.—Labour for booms		799	20
April 7.—Electric light apparatus.....		2,500	00
June 30.—Pontoon		2,750	00
		<u>17,502</u>	<u>66</u>
May 29.—To paid acct. sett'nt	\$	12,000	00
June 27.—do		35,000	00
June 30.—do		10,000	00
		<u>57,000</u>	<u>00</u>