

**Contract No. 1—
Telegraph.**

would say that the work was offered to Fuller on the condition that he would deposit a certain sum of money as security, and as appears from a report signed by Mr. Fleming he was informed by Fuller that his tender was based on carrying the line south of Riding Mountain, which runs entirely through the prairie country; that if it was taken north of Riding Mountain he would be required to pay twenty dollars per acre for all the necessary clearing. This would have the effect of adding \$50,000 or \$60,000 to the amount mentioned in his tender.

Riding Mountain he would require \$20 an acre for all the necessary clearing, which would add \$50,000 or \$60,000 to am't mentioned in tender.

111. Do you mean that in consequence of that change in his offer he was not the lowest?—He was not the lowest.

112. To what sum would that payment for clearing increase the amount of his offer for section number one?—The fifty or sixty thousand dollars referred to by Mr. Fleming are, I think, meant to apply to more than one section.

The \$50,000 or \$60,000 mentioned by Mr. Fleming meant to apply to more than one section.

113. I am asking about section number one. What would the \$60,000 added to his offer make it, assuming that he meant the whole \$60,000 to be added to his offer for section number one?—It would be \$128,750.

If the whole \$60,000 were added to Section No. 1 it would make the gross amount \$128,750.

114. Then his increased offer for the whole of the construction and maintenance for five years amounted to \$128,750?—Yes, assuming that he asked for the whole \$60,000 to be applied to Section one.

115. Was it considered that the Government could make better terms than that?—It was.

Government could make better terms than with Fuller.

116. And was that the reason for rejecting his offer?—Yes.

117. Then the next lowest being Mr. Dwight, was he offered the contract?—He was.

Contract offered to Dwight.

118. Have you any original documents showing the reason why he did not take it?—I have no original document with me, but I think I can produce it.

119. Have you any original document on the subject between the Department and Mr. Dwight?—No, but I can give the correspondence in the form of a return to the Commission.

120. In addition to the prices called for by tenders, some terms as to time of completion were asked for?—Yes.

121. What terms did Fuller offer?—He offered to complete it within the year 1874.

Fuller offered to complete within the year 1874.

122. What was Dwight's offer on that subject?—Dwight's offer was to complete it on the 1st of September, 1875.

Dwight by the 1st Sept., 1875.

123. What was the offer of Waddle & Smith?—Five hundred miles a year.

Waddle & Smith at the rate of 500 miles a year.

124. What was the offer of Sifton & Glass?—To complete it against the 22nd November, 1874.

Sifton & Glass by the 22nd Nov., 1874.

125. Do you know whether the contractors asked for an extension of time?—They did.

But in a letter they asked for an extension of time.

126. When?—In a letter dated 9th of July, 1875.

127. How long did they ask for?—They stated that it would be quite out of their power to complete the work by the time named in