

Q. We have that letter on the record?—A. Yes, we put it on the record before, the letter from Mr. Playfair offering to keep the harbour at Midland open for the sum of \$4,000.

Q. And that was accepted by the department without any officer of the department making any inquiries whatever and no call being made for tenders?—A. Well, here is a memorandum by Col. Anderson in reference to that matter.

Q. Perhaps you had better read that?—A. Yes, here is a memorandum which is made out by Mr. W. H. Fraser, approved and forwarded by Col. Anderson.

Q. Which Mr. Fraser is that?—A. He is the assistant chief engineer of the department, and his memorandum was approved of by Col. Anderson. The memorandum is of considerable length and only part of it refers to this matter.

Q. Well, read the part that refers to it?—A. (Reads)—

I have received offers from responsible people in each place offering to keep the harbours open after ice makes and their offers will be found attached. The offers for Depot Harbour and Collingwood are very reasonable, but this is entirely owing to the fact that the tenderers are parties having buoy contracts in each of these places, who are obliged to keep their steamers in commission until the close of the season. At Midland the offer is very much higher. This is on account of the fact that Midland, being an extremely sheltered harbour, freezes over sooner than other ports on the lake, and local tugs are usually laid up earlier, consequently the department will have to pay for the services of one or more tugs continuously from the time they would usually be laid up. Last autumn the ice took early, and a great deal of difficulty was experienced in getting one or two boats into the harbour. There are also two elevators in Midland, situated about two miles apart, and it is necessary to keep communication open to both wharves. Under ordinary circumstances the price is not very unreasonable, but is possible that we might be able to have it reduced a little.

In connection with the work, I had a consultation with Mr. Gildersleeve, manager of the Northern Navigation Company, and his opinion is attached hereto. His letter as written is somewhat more moderate than his views expressed verbally to me.

Q. Tell me, what was the contract at Collingwood, and who had the contract? Mr. Playfair had the contract too for the buoys at Midland?—A. I do not know about that, the contract at Collingwood was \$300.

Q. Who had that contract?—A. Fisher & Montgomery are the names here—well. I am not sure that the contract was accepted, the contract was received, but that is before my time—yes, Fisher & Montgomery had the contract at Collingwood because here is a letter from the deputy minister, Colonel Gourdeau, acknowledging the receipt of their offer which has been accepted.

Q. What was the Parry Sound contract?—A. Clarence E. Pratt, apparently—oh, no, excuse me, Sir—

Q. That is the name of the man there?—A. No, this is for Depot Harbour.

Q. It is the same thing?—A. Oh, is that so. He got \$300, that is \$300 each for those two ports.

Q. Well, to your knowledge is not the harbour at Depot Harbour much more confined than it is at Midland, you have been there?—A. Well, I was only there once and that was for half a day.

Q. But you went into Depot Harbour?—A. Yes, we went in there that day.

Q. That is a most exposed place?—A. I really could not say, Mr. Bennett. Probably if I refreshed my memory I could tell you.

Q. After you leave Depot, at least the bay outside going by water?—A. I never came in by water.

Q. Well you cannot judge?—A. I went out in the harbour in a boat for a couple of hours.