

When Mr. Snow went out there in the fall of 1868, there was a famine ; provisions and supplies were scarce and prices high. It was in 1869 that the insurrection broke out, and he could not get much work done ; the people stopped his work. The place of operation was somewhere near Oak Point.

I have heard many reports about the loss of the stores of the Department of Public Works, but all I know is that when I went out there was not a thing left.

I cannot state precisely what was the value of the loss of stores by Mr. Snow, but I think it would be about \$20,000

I have a return of the amount of stores Mr. Snow left.

The Government stores consisted of pork, flour, &c., and all other articles required in carrying on works of this kind.

I am satisfied Mr. Snow's returns to the department will show how the work was left. Operations were stopped thirty miles from the settlements.

A young man was left in charge of the supplies at Oak Point Settlement. The Hudson's Bay Company had no stores there at that time. There were no stores whatever at Oak Point when I arrived.

The road extended from the border of the prairie inland, and was a very good road as far as the Broken Head River, with the exception that embankments were required in the swamps ; it was opened more or less from Oak Point eastward through the woods twenty-eight miles, the latter part being a mere cut through the forest.

I cannot state precisely the price of provisions when Mr. Snow was carrying on operations, but I think it would be possible to find out. I know people complained of the prices of provisions, but I do not know of my own knowledge what prices were charged, but books and accounts are existing I think which will show the charges made by Mr. Snow, and the total amount of his expenditure. This was prior to my control of the western section of the road.

In the beginning of September, 1870, I went out over the road which the Hudson's Bay Company had worked upon, and told them to continue the work upon it, which they did during the fall and succeeding winter. I confirmed their charge given by the military on the part of the Department of Public Works, and when I came to Ottawa it was approved of.

The Hudson's Bay Company had a general charge of the work until the fall of the following year.

The officers in immediate charge of the road, under the Hudson's Bay Company, were the Hon. Mr. McKay and Mr. Lonsdale ; I sent them instructions and directed their operations from Ottawa ; I gave them general instructions in the fall how the roads were to be made.

The Hudson's Bay Company were managers and pay-masters ; they were to pay accounts certified as correct by Messrs. McKay and Lonsdale. The Company sent down to Ottawa the account ; in the winter of 1870-71 it was investigated, and instructions sent back to them to adopt a better mode of keeping these accounts ; they were told that accounts could not then be assumed, but meantime a payment would be made on account ; this was in 1870. There was a definite understanding respecting the payments which were made. I have here a letter from the Hudson's Bay Company marked A., which will explain their views of the matter. These understandings were arrived at generally through correspondence.

(Copy.)

(A.)

FORT GARRY, MANITOBA, 20th January, 1871.

MY DEAR SIR,—I am in receipt of your favors of 21st December and 2nd January, and was astonished to find that our account against the Department of Public Works for expenditure on Lake of the Woods road had not been paid in full, but that \$15,000 only had been ordered. I understood from you that there would be no difficulty in having our account settled as soon as the amount was known to the department. As the whole business was done by the company, I considered it unnecessary to send minute details of all transactions, and accordingly forwarded "summary" only. On receipt of your letter, however, I went out to the N. W. Angle for the books, and am now getting copy of account made out.