

or partially agreed for them, but for that reason as well as because it was represented to them that the iron would be necessary.

"2. Under these orders, 1,000 tons of iron were imported, and as Mr. Light, the Chief Engineer, has officially represented that the iron, owing to defects, is not worth the price agreed for by £2 per ton, the loss to the Province is, on official evidence, one of £2,000.

"3. In due course, Messrs. Naylor & Co. demanded payment, and on the present Board representing to them the inferiority and defects of the Rails, Messrs. Naylor & Co., writing to Mr. Jardine, under date of 5th December, 1857, say—'We must disclaim any responsibility whatever in regard to the same, as according to contract made with us by your predecessor, Mr. Scovil, it was most clearly agreed that the decision of the Inspector was to be final.'

"4. I have not before me your letter of June 3d, 1857, which ordered the iron, but on turning to Messrs. Naylor & Co.'s recital of it in their letter to you of 22d June, which in your letter to them of 27th June, you admit to be correct, except as to the place of inspection, which you there say must be at the works, and not at the place of shipment, I find it distinctly stated that the inspection is to be final, and the Inspector is to be appointed by the Liverpool House of Naylor & Co., and to act under their direction, you *merely reserving the right to supersede him* by one of your own appointment, *should you see fit to do so.*

"5. From the facts, that you arranged for a final inspection of the Rails by an officer appointed by the shippers, unless you saw fit to supersede him by an appointment of your own; that you made no such appointment, and that the defects in the Rails were not discovered until they were being landed, I think it incontrovertibly follows that the responsibility of the Province being deprived of a right of re-survey, and being consequently subjected to the loss of £2,000 on these Rails, devolves on the late Board, who provided for the final inspection.

"6. I note your argument, that Mr. Reed was in England before the order was executed by shipment of the iron, but I scarcely think it necessary to suggest to your intelligence that neither Mr. Reed, nor any other Commissioner, casually visiting England, though engaged in other Railway negotiations, would think himself called on to interfere with contracts made by his predecessors on this side the Atlantic, and which were being executed by a highly respectable House in England, and under special inspection.

"7. Hoping these statements will prove satisfactory,

"I am, yours, &c.,

"S. L. TILLEY.

"W. H. SCOVIL."

The two following Letters were furnished Mr. Scovil, by his request:

"BOSTON, JUNE 22, 1857.

"Messrs. Railway Commissioners, Saint John,

"W. H. SCOVIL, Esq., Chairman.

"DEAR SIR—We have the pleasure to acknowledge the receipt of your esteemed favor of 3d inst., and have to thank you for the