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## REPORT OF THE COMMISSIONERS

# INTRRCOLONIAL RAILWAY, 

WITK

## RETURNS:

## $\mathbb{T} \mathbb{H} \mathbb{R} \mathbb{D} \mathbb{R} \mathbb{E} \mathbb{P} \mathbb{R} \mathbb{T}$

or

The Seléct Standing Committee on Public Accounts.

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printed by order of parliament.
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OTTAWA:
PRINTED BY I. B. TAYLOR, 29, 31, \& 33, RIDEAU STREET.

## REPORT OF THE COMMISSIONERS

## OF TEE <br> INTERCOLONIAL RAILWAY.

The Commissioners appointed to construct the Intercolonial Railway, have the honor to submit a Statement of the progress of the works under their charge since the date of their former Report, ljth March, 1870.

## CONTRAGTS.

At the end of the year 1869, contracts had been let and works were in progress upon Sections Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12.

Nos. 3; $4,5,6$, and 7 , which were then let, were soon afterwards taken out of the hands of the original contractors.

On 4th April, 1870, after having been duly advertised, Sections Nos. 13, 14, 15, and 16 were let; and Nos. 3 and 4 were re-let. The Tenders range as follows:-


After careful enquiry, contracts were awarded as follows, viz. :-


On the 25th May, after having, been duly advertised, tenders were received for the following Sections, viz., Nos. 5, 6, and 7, (the former contracts for which had been annulled) and Nos. 17, 18, 19, and also No. 20, on 6th July, 1870-new contracts.

The tenders for these sections ranged as follows, viz :-

| No. |  |  |  |  |  |  | \$510,600 |  | - |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | , | " | 32 | " |  | 399,917 | " | 704,613 |
| " |  | Ova | " | 42 | " | $\ldots$ | 450,963 | ", | 712,800 |
| " |  | Queb | ," | 31 | " | $\ldots$ | 389,130 | " | 837,195. |
| " | 18, |  | ," | 29 | " |  | 514,500 | , | 1,387,967 |
|  | 19, |  | , | 30 |  | $\cdots$ | 282,031 |  | 751,768 |
|  | 20, | New | " | 10 | " |  | 520,000 | " | 1,059,403 |

The contracts for these sections were awarded as follows:-


On 5th October, 1870, after due advertisement, tenders were received for the following sections, viz:-

No. 10, (for which the previous contract had been annulled), and Nos. 21, 22 and 23, new contracts.

Tenders ranged as follows:-
No. 10, New Brunswick, 20 miles, 28 tenders...... $\$ 400,000$ to $\$ 705,808$

| $"$ | 21, | $"$ | 25 | $"$ | 34 | $"$ | $\ldots .$. |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| $"$ | 22, | $"$ | 25 | $"$, | 34 | $"$ | $\ldots .$. |
| $"$ | 23, | $"$ | 221 | $"$, | 40 | $"$ | $\ldots .$. |

Contracts for these sections were awarded as follows :-


This completed the letting of the entire line, and placed the whole under contract. In every case the tenders were called for at the earliest day on which the Chief Engineer was able to furnish the necessary plans and details of the work to be done.

The following are the dates of the several existing contracts:-

| No. 1 | Section, | , 4th March, | 1869. | No. 13 | Section, | 25th May, | 1870. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| , 2 | ", | 4th |  | ,, 14 | ; |  | " |
| 3 | " | 25 th May, | 1870. | 15 | , | 15 th June, | ," |
| , 4 | " | " , | " | , 16 | " | 25th May, | " |
| 5 | , | " ", | , | 17 | " | 15th June, | " |
| \% 6 | " | " " | " | , 18 | " | 8th July, | " |
| 7 | , |  |  | 19 | " | 15 th June, |  |
| " 8 | " | 1st Novemb | 1869. | , 20 | , | 24th September, | " |
| 9 | , | 26th October, |  | 21 | " | 1st Desember, | " |
| 10 | " | 1st Decembe | 1570. | , 22 | " | " - " | " |
| 11 | " | 1 l t Novemb | 1869. | , 23 | " | " | " |
| 12 | " | 1 st |  |  | , | * |  |

The contracts include clearing, grubbing, fencing, grading, masonry, bridging, and everything up to formation level, except the superstrueture of the iron bridges at Trois Pistoles, Metis, Restigouche, Miramichi, Nipissiguit and Folly Rivers.

The total amount of all these twenty-three contracts, including payments to original contractors, is $\$ 9,619,791$. This is exclusive of the cost of the Eastern Extension Railway, $\$ 921,020$.

The tabular statement, marked A, and annexed hereto, will show the work done upon each section up to 31st December, 1870.

The aggregate amounts of the Chief Engineer's progres's estimates for each month of the past year have been as follows, viz:-

January $\$ 13,275$
February 11,146
March 22,465
April . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . 24,226
May . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . 53,903
June............................................................. . . . . . . 84,100
July.. ...................................................... 183,201
August....................................................... . . . 197,776
September.............................. . . . . . . . . . . . . . . . . 315.000
October . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . 259,693.
November. . . .................................................. 126,992
December
124,900
The statement annexed, marked B, shows the number of men and horses at work in October, 1870, upon each of the sections which were then under contract.

## TIES.

The Commissioners advertised for tenders for ties, to be delivered during the present season, on Sections Nos. 1, 2, 5 and 8, in Quebec ; Nos. 3, 6, 9, and 15, in New Brunswick, and Nos. 4, 7, and 12, in Nova Scotia. The folluwing tenders for ties, in Quebec and Nôva Scotia have been accepted, viz:-

Section No. 1, 50,000 Ties, A. G. Cote............... at $\$ 3200$ per hundred.


The tenders for New Brunswick sections were considered too high, and none were accepted.

## RAILS.

On 1st January last, after due advertisement, tenders for steel rails were received, and the following have been accepted:-
I. Barrow Steel and Iron Co., England.-32,000 tons ; say 10,000 tons, in 1871, at $£ 12$ 0s. Od. sterling per ton, delivered at Quebec, Hadifax, and St. John ; 22,000 tons in 1872, at £11 18s. 0d. sterling per ton, delivered at such ports in Canada as the Commissioners may indicate.
II. Ebba, Vale \& Co., England.- 8,000 tons, at $£ 11$ 0s. Od. sterling per ton, delivered F. O. B., at Newport, in 1871.

The parties have to deliver the proportionate quantities of fish-plates, \&c., required, at the same respective prices.

## ROLLING STOCK.

The Commissioners have contracted for 40 locomotive engines, 250 box freight cars, and 150 platform cars, which are now being constructed.

The contractors for the above rolling stock are :-

1. Dubs \& Co., Glasgow, 15 locomotive engines, at $\$ 11,000$ each, in bond.
2. Canadian Engine and Machinery Co., Kingston, 15 locomotive engines, at $\$ 12,500$ each.
3. Wm. Montgomery \& Co., Halifax, 10 locomotive engines, at $\$ 12,500$ each.
4. W. Hamilton \& Son, Toronto, 150 box freight cars, at $\$ 119$ per car.
5. Goughh \& Hunter, St. John, 50 boz freight cars, at $\$ 735$ per car.
6. John F. Teed, Durchester, 50 , , 765 ,
7. W. Clendinning, Montreal, 90 platform cars, $a^{4}, 4570$,
8. Intercolonial Iron \& steel Co., Londonderry, 60 platform cars, at $\$ 580$ per car.

The Commissioners have also purchased from the contractors for the Eastern Extension Railway, two losomotive ungines, at a cust of $\$ 17,000$, and 25 platfirm cars, at a cost of $\$ 10,000$, for tho usa of that part of the line now open from Painsec Junction to Amherst; also, two first class passenger cars, and one second class car, for the same part of the railway, at a cost of $\$ \$, 150$.

## BRIDGES.

In last Report, it was stated that the large bridges at Trois Pistoles, Grand Metis. Restigonche, Miramichi, Nipissiguit and Folly Rivers, would be constructed of iron; and all others of wood.

The Chief "Engineer, however, has reported, that further careful examination and consideration have led him to believe, that after making allowance for a reduction on the quantity of masonry, bridges of large span can be constructed of iron at a cost which will not greatly exceed that of wood.

As steel rails have been decided upon, it has, on the whole, bern thought desirable to make all the works of as indestructible materials as possible; and, therefore, it has been recommenled that for all spans above 60 feet openings, iron be used for the bridges, provided it be found, upon careful examination, that such a change will not delay the completion of the work, and that ariangements can be made with the contractors, which will not largely increase the cost.

The Government have concurred in this recommendation.
Tenders have been advertised for the iron superstructure, and when they are received, and their exact cost ascertained, the question will be finally decided.

## EASTERN•EXTENSION RAILWAY.

The Eastern Extension Railway, extending from Painsec Junction on the European and North American Railway to the Missiquash River (the boundary between New Brunswick and Nova Scoti:1), has been (ompleted in terms of the contract, now forms part of the Intercolonial Railway, and is being worked by the Deparoment of Public Works in connection with the railway system in New Brunswick. That part of the Intercolonial Railway extending from the Missiquash River to the town of Amherst in Nova Scotia, has been completed by the Commissioners, and is also being worked by the Department of Public Works.

## STAFF.

The Commissioners, at the suggestion of the Chief Engineer, continued during the past season, the staff organization as it stood at the date of the former report, and which had been created upon his recommendation. The followingletter was addressed to the Chief Engineer, on the 27th April, 1870 :-
"The existing staff being nearly absorbed in the formation of parties in charge of sections of the Iatercolonial Railway already let, and as parties must be formed for the additional sections about to be let, the Chairman cesires me to ask, whether the existing arrangement (engineer in charge, two assistints, two rodmen, and two chainmen) is necessary for the efficient working of a section, or whether the construbtion staff might not be reduced upon each of the sections. This enquiry is made for the purpose of ascertaining what additional appointments (if any) will be necessary when the whole line is under contract."

Mr. Fleming, in reply, stated " that the present arrangement had better be continued for the present, as it is difticult just now to say what redu. tions might be effected until we see what progress the contractors are going to make. Before the close of the season we will see what minimum staff will actually be required for prosecuting the work."

In the months of September and October last the Commissioners, accompanied by the Chief Engineer, passed over the line, and then, with his concurrence, decided (the surveys and lucation having been completed and the whole line being ready for contract) that a very material reduction of the staff should be made, to take effect on lst January last. This change has been made, resulting in dispensing with the services of one engineer, thirteen assistant engineers, five rodmen and thirty-nine chainmen, in all fifty-eight employés, whose aggregate annual salaries arcounted to $\$ 38,000$.

The Enginear Staff, upon nearly all the various sections, now consists of one engineer in charge, one assistant engineer, and two rodmen, with such temporary assistarits as axemen (who act as chainmen when required), as may be occasionally wànted, and who are paid at the ordinary wages current for laborers. The exceptions to this rule are Sections Nos. 1, 8, 19 and 20, where there are but one engineer and one rodman. On Section No. 13, owing to the heavy amount of work, there are two assistant engineers. It is not intended to increase the staff, and as the work upon the several sections approaches completion, the staff will be reduced, as has been already done in the cases of Sections Nos. 1, 2 and 8.

The Commissioners have also divided the line into three Paymasters' Districts, instead of four, as formerly, thereby saving the salary of one paymaster. The accountant having resigned, as at Ist February last, the office of assistant secretary was abolished, and the former assistaint secretary was appointed accountant; a clerk being appointed, at a salary of $\$ 80 \%$ per annum, effecting a saving of $\$ 800$ per annum.

In compliance with the repeated recommendation of the Chief Engineer, the salary of the four district engineers have been increased to $\$ 3,000$ each, with an allowance of $\$ 600$ per annum for horse hire and travelling expenses.

The salary of the Secretary has also been increased from $\$ 2,000$ to $\$ 2,600$ per annum ${ }^{-1}$

## SUPPLIES.

The staff upon those portions of the line between the St. Lawrence and the Restigovche ; and also between Miramichi and Moncton, in consequence of the inaccessible nature of the country, are still on'survey allowance, but the Commissioners have decid d that, upon the opening of narigation, the supplies shall be discontinued, and that the whole staff shall be put upon one general system.

## ENGINEERING EXPENSES.

The total amount paid on account of preliminary surveys, exploration, location, and construction engineering, has been as follows:-

Expenses of Mr. Fleming's staff, prior to appoint.
ment of Commissioners . . . . . . . . . . . . . . . . . $\$ 138,08164$
And....................... 12,63016
Survey and location, 1st January, 1869, to 31st December, 1870 170,638 91
Construction, engineering expenses, same period ............. 240,188 92
Miscellaneous engineering expenses ", ".............. 15,304 31
Paymasters, assistants and expenses " ", ............... 14,630 7.6
Chief engineer's office and staff " " ................ 22,22936
$\$ 613,70406$
The heaviest engineering expenditure is incurred during the surveying and locating the line, preparing the plans, and furnishing the information necessary to get the works put under contract. And it follows that the relative percentage of engineering expenses to the work done decreases as the work progresses.

## HOUSES FOR THE STAFF.

During the survey and location of the line, the staff who had to be continually moved about, lived under canvas; but since the work of construction commenced, the Commissioners have built several wooden houses, for the use of the staff, in the unsettled parts of the country. These houses have been located so that they will be available for trackmen and others after the railway is finished.

## RIGHT OF WAY.

In pursuance of the system referred to in their former report, the Commissioners hare had valuations made of the "right of way" over the whole line. The aggregate quantity of land taken for the use of the railway (exclusive of the station grounds not yet selected, and also exclusive of the lands purchased at Moncton), is $6,85 \mathrm{~S}$ acres; and the aggregate valuation for land and buildings is $\$ 140,440$. The average rate per acre for the land is $\$ 1820$, and per mile of railway (cost of buildings included); the average is \$309.

The payments for these lands and damages have not yet been completed over the ,whole line of railway, and therefore the actual payments will differ somewhat from the aggregate valuations as given above, as some of the parties interested have refused to accept the amount tendered, and have intimated their intention to submit their claims to the Dominion Arbitrators.

## MONCTON WORKSHOPS.

The Governor in Council, on the recommendation of the Commissioness, having selected Moncton (the point of junction of the Intercolonial Railway with the European and North American Railway) as the most suitable place for the erection of the principal work-shops for the Government system of Railways; $50 \frac{1}{3}$ acres of iand have been purchased at a cost of $\$ 13,081$ : The land is admirably adapted for the purpose, and the necessary buildings have been contracted for, at a cost of \$83,923."

## COMPLETION• OF WORKS.

Tenders will shortly be advertised for the track-laying and ballasting of the line from Riviere du Loup to Trois Pistoles, and it is expected that rails sufficient for that Yéngth of road will be delivered in the month of May, to permit that portion of the line being ready for opening in July next.

Rails for the portion of the line lying between Amherst and Truro will be delivered next fall, and track will be laid from both ends.

The remainder of the rails will be delivered during the spring and fall of 1872, and in that year track-laying will be actively prosecuted over the whole of the line.

The "balance sheet," as at 31st December, 1870, (annexed héreto and marked C) shows the total outlay to that date.

A. Walsh, Ed. B. Chandler,<br>C. J. Brydges, a. W. McLelan,<br>Commissioners.

Intercolonial Railway; Commissioners' Office, Ottawa, 9th March, 1871.

Statement A.-Showing the total value of work done on each Section to 31st December, 1870.

| Section. |  | Present Contractors. | Work done by former Contractors. | Work done by present Contractors. | Total. |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Section No. 1. |  | G. \& J. Worthington. | \$ | ¢ 150,000 | $\stackrel{\$}{\$}$ |
| do | 2. | a. do |  | 173,000 | 173,000 |
| do | 3. | F. X. Berlinquet \& Co. | 28,575 | 58,000 | 817,575 |
| do | 4. | Smith \& Poblado | 46,200 | 171,000 | 217,200 |
| do | 5. | A. McDenell \& Co. | 48,762 26,325 | 71,000 64,000 | 119,762 90,325 |
| do | 7. | J. Simpson \& Co. | 53,731 | 148,000 | 201,731 |
| do | 8. D | D. Macdonald . |  | 70,000 | 70,000 |
| do |  | J. M. Bertrand \& C | 30,850 | 49,000 | 49,000 |
| do | 11. | Davis, Grant \& Sutheriand | 30,050 | 65,500 | 55,500 |
| do | 12. | Sumner \& Somers ......... |  | 238,000 | 238,000 |
| do | 13. | W. E. Macdonald |  | 137,000 | 137,000 |
| do | 14. | Nielson \& McGaw. |  | 45,000 | - 45,000 |
| do | 15. | J. B. Bertrand \& | ....... ... | 33,000 6 6 | 33,000 6,500 |
| do | 17. S. | S. P. Tuck. |  | 11,000 | 11,000 |
| do | 18. | R. H. McGreevy |  | 13,000 | 13,000 |
| do | 19. | S. P. Tuck......... |  | 19,000 | 19,000 |
| do | 20. | Brown, Brooks \& Ryan |  | 2,500. | - 2,500 |
| do | 22. | C. Cummings \& Coo |  |  |  |
| . do | 23. | Sutherland, Grant \& Co |  | 1,700 | 1,700 |
|  |  |  |  |  | \$1,752,143 |

Statement B.-Approximate total force employed on the several con.tracts during the month of (October, 1870, as shewn by the total number of days' work in the month.

| No. of Contract. |  |  | Approximate force Employed. |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | $\left\|\begin{array}{c} \text { Foremen } \\ \text { and } \\ \text { Mechanics } \end{array}\right\|$ | Laborers. | Boys. | Horses. | Oxen. | Quarrymen |
| Contract No. 1. | A | 25 | 1,393 | 2,218 | 227 | 648 |  |  |
| do 2.. | B | 26 | 2,154 | 5,645 |  | 2,129 |  |  |
| do 5.. | C | 26 | ${ }^{1} 991$ | 8,278 | ${ }^{-187}$ | 2,505 | , |  |
| do 8.. | D | 22 | 1,043 | 3,323 |  | 1,138 | . |  |
| do $13 \ldots$ | $\underset{\text { E }}{ }$ | 26 | 1,042 | 5,926 | 303 | 2,075 | ... | $\cdots 310$ |
| do 14... | ${ }_{\text {F }}$ | 26 | 664 | 2,062 | 22 | 1,124 |  |  |
| do do do 18.... | $\stackrel{\mathrm{G}}{\mathbf{H}}$ | 26 26 | 206 | 1,958 | ${ }_{99}$ | 141 | ..... |  |
| do 19.... | I | 26 | 532 | 2,604 | 113 | 791 |  |  |
| do 3.... | K | 26 | 1,325 | 7,580 | 909 | 1,285 |  |  |
| do 6 .. | $\underline{1}$ | 26 | 1,871 | 11,503 | 1,008 | 1,744 |  |  |
| do $9 \ldots$. | M | 26 | 1,241 | 9,543 |  | 1,870 |  |  |
| do $15 \ldots$ | N | 25 | 1,204 | 4,281 | 233 | 1,184 |  | 52 |
| do 10.... | $\stackrel{O}{P}$ | ${ }_{25}^{26}$ | 324 248 | 2,879 | - $\begin{array}{r}27 \\ \hline 134\end{array}$ | 70 286 |  | 23 |
| do 20.... | Q | Nil. |  |  |  |  |  | 23 |
| do 11.... | W | Nil. |  |  |  |  |  |  |
| do ${ }^{\text {do }}$ | $\frac{\mathrm{X}}{\mathrm{Y}}$ | 25 | 2.191 | 9,426 | 2,106 | 3,399 | 164 | 1,141 |
| do 12. | Z | 25 | 2,468 | 14,011 | 1,215 | 4,110 5,095 | 139 20 | 974 918 |



## RETURNS

To two Orders and one Address of the House of Commons, dated respectively the 17th February, 20th February and the 23rd February, 1871; For Copies of all Tenders for Works on the Intercolonial Railway since the last Return, and in the same form as printed; Also, copies of advertisements calling for such tenders; the names of the newspapers in which such advertisements were inserted, and amount paid for same ; Also, copies of tenders received for locomotives or other rolling stock, and for rails, with the same information regarding advertisements ; Also, statement shewing the number of engineers, assistants, paymasters, and other employés in each district and section on the 1st day of July, 1870 ; and also the number of men employed on each contract section on that day; Also, copies of all reports of engineers, commissioners or others regarding the change made from the route selected by Major Robinson between Bathurst and the Miramiohi river; Also, copies of all correspondence between the Railway Commissioners and the Government relative to contracts and all Orders in Council relative to such correspondence or contracts.
2nd.-Statement shewing the gross amount paid for salaries and wages of engineers and staff of the Intercolonial Railway up to 1st of January, 1871, shewing the number employed on each section and division, and the amount paid for work performed by contractors to the same date.
3rd,-A Return giving the names of all persons who have tendered for contracts on the Intercolonial Railway since 19th May, 1869, giving the gross amount of each tender, the rate per mile, and sureties offered; Also, the names of all persons to whom contracts have been awarded since the above date, stating the gross amount and rate per mile at which each contract has been let, and the sureties given by each contractor; Also, the whole extent of work performed by each contractor since the 31st December, 1869, giving the monthly progress on each section, as well as the aggregate amount of work done and the estimated value of such work; Also, the names of all engineers, assistants and employés who have been dismissed or suspended on each section since the 31st December, 1869, giving the date of each dismissal or suspension and the amount of salary or allowance payable to each person at the time of his dismissal or suspension; Also, the names of all persons who have been in azy way employed by the commissioners on each section since the last mentioned date, and the amount of his salary or allowance; Also, the names of all persons employed on each section (by the commissioners) and the amount of salary or allowance payable to each, and the nature of his occupation or employment.

## By command.

J. C. AIKINS,<br>Secretary of State.

## SCHEDULE OF RETURNS.

No. 1.-Statement showing tenders for works, sections Nos. 8, $9,10,11,12,13,14,15$, $16,17,18,19,20,21,22,23$, and re-letting of Nos. 3, 4, 5,6 and 7 , giving names of persons tendering, the sureties offered, the lump sum, rate per mile, and schedule prices.
No. 2.-Statement showing quantities of work done on each section during the year 1870, the total quantities and value of work done on eaoh section at 31st December, 1870, and synopsis of the aggregate work done.
No. 3.-Statement showing advertisements during year 1870; the newspapers in which were inserted advertisements for sections Nos. $8,9,10,11,12,13,14,15,16,17$, 18, 19, 20, 21, 22, 23 ; re-lettting Nos. 3, 4, 5, 6 and 7 ; rolling stock; Moncton buildings, with amounts paid for each advertisement and total to each newspaper.
No. 4.-Copy of letter from Chief Engineer about route from Bathurst to Miramichi. (No other report on the subject).
No. 5.-Force employed on each section at 1st July, 1870. (From Chief Engineer's office).
No. 6.-Return of number of engineers, draughtsmen, assistant engineers, rodmen, chainmen, inspectors of masonry and fences, axemen, cooks and laborers on each section and district at 1st July, 1870. (Taken froru pay-rolls of July, 1870).
No. 7.-List of engineer's staff, paymasters, assistants, as per payrolls of January, 1871; giving annual salary and wages respectively, with explanatory note as to other persons temporarily employed as laborers, \&c., on sections, and at Amherst station, and section No, 11.
No. 8.-List of engineers, assistant engineers, rodmen and chainmen who resigned, or whose services wee dispensed with in the Autumn of year 1870, and as at 31 st December, 1870, respectively, with explanatory note on the subject.
No. 9.-Statement showing amounts charged to account of "Engineering and Survey" for preliminary surveys prior to appointment of Commissioners; for survey and location, construction; miscellaneouis, paymasters and assistauts, chief engineer's office, for the respective periods, 1st January to 30th June, 1869 ; 1st July, 1869, to 30th June; 1870 ; and, 1st July to 31st December, 1870.
No. 10.-Supplementary sheet showing tenders for sections accepted, names of sureties, lump sum, rate per mile, and estimated value of work done by eaoh of the contractors named, as at 31st December, 1870.
No. 11.-Copies of Reports of the Commissioners to the Hon. the Privy Council (accompanied by copies of lists of tenders for locomotive engines, box cars and platform cars, steel rails) about contracts for sections Nos. 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 3, 4, 5, 6 and 7 ; also, copies of Orders in Council on the same respective suljeets, forming "correspondence between the Government and the Commissioners" thereon.
No. 12.-Statement showing expenditure for location and survey construction, and average number of engineer's staff on the line from 1st of January, 1869, to 31 December, 1870 .

Copy of a Report of the Commissioners of the Intercolonial Railway to the Honorable the Privy Council, of date 22nd October, 1869.
The Commissioners appointed to construct the Intercolonial Railway, now beg to report to the Governor in Council upon the tenders received for

## Section No. 9.

Thirty-five tenders have been received for this Section, of which the following are the lowest:-

| No. | 184. $G$ | 2, |  | \$10,506 | ile. |
| :---: | :---: | :---: | :---: | :---: | :---: |
| , | 92. Steeves \& Co. | 297,310, | " | 14,157 | " |
| " | 127. J. S. Grant, | 303,770, | " | 14,465 | " |
| , | 122. Peton \& Dussault, | 311,787, | ., | 14,847 | " |
| " | 155. Ralph Jones, | 314,297, | " | 14,966 | " |
| " | 95. C. Touchette, | 315,000, | , | 15,000 | " |
| " | 80. Berlinguet \& Huot | . 329,433, | , | 15,211 | " |
| " | 39. Sutton \& Angus, | 338,698, |  | 16,128 | " |
| " | 137. And. Elliot \& Co.,.. | . 346,240, | " | 16,487 | " |
| " | 76. J. B. Bertrand \& Co., | 354,897, |  | 16,899 | \% |

In reference to Nos. 184, 92, 127, 122, and 95, the Commissioners are not satisfied as to the skill, experience and resources of the parties tendering, and therefore cannot recommend the acceptance of these tenders.

No. 155 is withdrawn, the party having made an error in his calculations.
No. 80, after careful, consideration, is not found to be a satisfictory tender, and as on a former occasion Messrs. Berlinguet \& Hnot failed to complete a contract which had been awarded to them, owing to their proposed sureties declining to execute the necessary :honds, the Commissioners cannot recommend acceptance oi this tender.

Nos. 39 and 137 are offered by parties who have already secured contracts, and the Commissioners are of opinion, that it would not be desirable to place more work in their hands.

No. 76 is a satisfactory tender. Good sureties are offered for its due fulfilment, and the Commissioners therefore recommend that the tender of Messrs. J. B. Bertrand \& Co., of Quebee, for the sim of $\$ 354,897$, or at the rate of $\$ 16,899 \$ 5$ per mile be accepted; they being satisfied as to the skill, experience and resources of Messrs. Bertrand \& Co.

Section No. 12.
The lowest tender for Section No. 12 is that of Messrs. W. Barker \& Co., of Brantford, but upon examination of their tender, it is not found to be satisfactory, and the Commissioners are not satisfied as to the skill, experience and resources of the parties.

The next lowest tender is that of Messrs. Sumner \& Somers, of Moncton, for the sum of $\$ 597,000$, or at the rate of $\$ 24,378$ per mile; and the Commissioners being satisfied as to the skill, experience and resources of the parties, recommend that their tender for Section No. 12 be accepted.
(Signed,)
A. Walsh, Ed. B. Chandler, C. J. Brydges, a. W. Mclelan, Commissioners.

Copy of a Report of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 25th October, 1869.

On the recommendation of the Hon. the Acting Minister of Public Works, and for the reasons given in the Report of the Intercolonial Railway Commissioners, the Committee advise that the following tenders for the construction of Sections of that Railway, Nos. 9 and 12, be accepted, and that contracts in conformity therewith be given accordingly, that is to say:-

Section No. 9 to Messrs. J. B. Bertrand \& Co., of Quebec, for the sum of three hundred and fifty-four thousand eight hundred and ninety-seven dollars (\$354,897), or at the rate of \$16;899 85 per mile.

Section No. 12 to Messrs. Sumner \& Somers for the sum of five hundred and ninetyseven thousand six hundred dollars ( $\$ 597,600$ ), or at the rate of $\$ 24,378$ per mile.

Certified.
(Signed,) : Wr. H. Lee,
To the Railway Commissioners,
$\& c ., \quad \& c ., \quad \& c$.
Clerk, Privy Council.

Copy of a Report of the Intercolonial Railway Commissioners to the Honorable the Privy Council, of clate 22nd October, 1869.

The Commissioners appointed to construct the Intercolonial Railway, have now to report to the Governor in Council with reference to the tenders for

Section No. 11.
The lowest tender for Section No. 11 is that of Messrs. Davis, Grant \& Sutherland, of Halifax, being for the sum of $\$ 48,000$, or at the rate of $\$ 13,714$ per mile; and the 'Commissioners being satisfied as to the skill, experience and resources of Messrs. Davis \& Co., recommend that their tender for Section No. 11 be accepted.

| (Signed, ) | A. Walsh; <br> Ed. B. Chandler, <br> C. J. Brydged, <br> a. W. Mclelan, Commissioners. |
| :---: | :---: |

Copy of a Report of the Commissioners of the Intercolonial Railway to the Honorable tho Privy Council of date, 2bth October, 1869.

The, Commissioners appointed to construct the Intercolonial Railway have now further to report to the Gorernor in Council regarding

Section No. 11.
Messrs. Davis, Grant \& Sutherland have informed the Commissioners that their tender for Seetion No. 11 stated a lump sum of $\$ 48,000$ and a mileage of $\$ 13,174$, made on an estimate of the length of the Section being $3 \frac{1}{2}$ miles as at first advertised; that the distance or length being $4 \frac{1}{2}$ miles, the sum of $\$ 48,000$ is an error, and that they intend the mileage rate shall be their tender.

The true distance being $4 \frac{1}{2}$ miles, will give a sum of $\$ 61,713$, and as this correction will still leave their tender the lowest, and the Commissioners being satisfied that the parties have ample skill, experience and resouress to complete the work, recommend that the tender of Messrs. Davis, Grant \& Sutherland be accepted at the sum of $\$ 61,713$ for the whole work, being at the rate of $\$ 13,714$ per mile.

The Commissioners desire that this Report shall supersede their Report of date 22nd October last upon the tenders for Section No. 11.
(Signed,)
A. Walsh,

Ed. B. Chandler,
C. J. Brydges,
A. W. McLelan,

Commissioners.

Copy of a Report of a Committee of the Honorable the Privy Council, approved by His
Excellency the Governor General in Council on the 26th October, 1869 .
On the recommendation of the Honorable the Acting Minister of Public Works, and for the reasons given in the Reports of the Commissioners for the construction of the Intercolonial Railway, the Committee advise that the tender of Messrs. Davis, Grant \& Sutherland, of Halifax, N. S., for the construction of Section No. 11 of that line, for a sum of $\$ 61,713$, or at the rate of $\$ 13,714$ per mile be accepted, and that a contract be entered into with that firm accordingly.

Certified.
(Signed,)

Wm. H. Lee, Clerk, Privy Council.

To the Railway Commissioners, \&c., \&c., \&c.

## Copy of Report of the Commissioners of the Intercolonial Railway to the Honorable the Privy Council, of date Znd November, 1869.

The Commissioners for the construction of the Intercolonial Railway have now further to report to the Governor in Council regarding

Section No. 10.
That since their Report of date 21st October last, recommending that the tender of Messrs. Andrew Elliot and Co. for Section No. 10 should be accepted (which Report was adopted by the Governor in Council), they advised Mr. Andrew Elliot that this Section had been awarded to him on his tender, and asked whether he and his sureties were prepared to execute the necessary contract and bond.

That in answer to this enquiry, a letter from Mr. Elliot was received, of which the following is a copy :-

Otrawa, 27th October, 1869.
C. S. Ross, Esq., Secretary,

Intercolonial Railway Commissioners.
Sir,-I duly received your telegram, addressed to me at Petrolea, to the effect that Section No. 10 of the Intercolonial Railway had been awarded to me. On receiving which, I at once proceeded to Ottawa, and on airiving there, called at the office of the Commissioners, and was favored with a sight of the tender. On carefully examining which, I beg respectfully to inform you that the bulk sum seems to be based on prices that appear to me inadequate for the proper execution of the work.

Having invariably carried out fully any contract I have hitherto entered into, I therefore do not feel justified in accepting of the award which has been made in my name for Section No. 10, or of entering inta contract at the prices shown by the Tender.

> I have the honor to be; Sir, Your obedient servant, (Signed,) Andew ELPiot.

The Commissioners, after full consideration of the legal position of parties tendering, when such parties decline, as in the present instance, to execute the contract, are advised that it would be practically impossible to compel such parties to execute the necessary deeds, and as the only remaining remedy would be an action for prospective damages, the Commissioners have to recommend that the Order in Council, accepting the tender of Messrs. Andrew Elliott and Co. for Section No. 10, be rescinded.

The next lowest, tender to that of Messis. Andrev Elliot and Co., for Section No. 10,
is that of Messrs. P. Marier and Co., of Ottawa, for the sum of $\$ 323,000$, or $\$ 16,150$ per mile.

The third lowest tender is that of C. Touchette, Quebec, for the sum of $\$ 330,000$, or $\$ 16,500$ per mile.

The fourth lowest tender is that of Messrs. Peton \& Dussault, Quebec, for the sum of $\$ 330,400$, or $\$ 16,517$ per mile.

In reference to the tenders of Messis. Marier and Co., C. Touohette, and Peton \& Dussault, the Commissioners are not satisfied that these parties possess the necessary skill, experience, and resources to enable them successfully to perform the contract, and they cannot therefore recommend the acceptance of any of these, tenders.

The next lowest tender is that of Messis. Sutton \& Angus, for the sum of $\$ 349,970$, or $\$ 17,498$ per mile.

In reference to this tender, the Commissioners would remark that the parties tendering have already secured a contract at a former letting, and the Commissioners cannot recommend placing more work in their hands at present.

The next lowest tender is that of Messrs. Berlinguet \& Huot, of Quebec, for the sum of $\$ 357,603$, or $\$ 17,880$ per mile.

This is not found to be a satisfactory tender; and as on a former occasion Messss. Berlinguet \& Huot failed to complete a contract which had been awarded to them, owing to their proposed sureties declining to execute the necessary deeds, the Commis: sioners cannot recommend the aicceptance of their tender.

The next lowest tender is that of Messrs. Alexander McBean and William Robinson, for the sum of $\$ 362,083$, or $\$ 18,164$ per mile.

The Commissioners being satisfied as to the skill, experience, and resources of Messrs. Alexander McBean and William Robinson, recommend that their tender for Section No. 10. be accepted.

| (Signed, |  |
| :---: | :---: |
|  | Eid. B. Chandler, | Commissioners.

## Copy of a Report of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 9th November, 1869.

On the recommendation of the Honorable the Acting Minister of Public Works, and for the reasons given in the Report of the Intercolonial Railway Commissioners, the Committee advise that the Order in Council of the 23rd October, ultimo, accepting the tender of Messrs. Andrew Elliot and Có., for the construction of Section No. 10 of that line be cancelled, and that the tender of Messirs. Alexander McBean and William Robinson for the construction of that section, for the sum of $\$ 362,000$, or at the rate of $\$ 18,164$ per mile be accepted, and that a contract in conformity therewith be given accordingly.

Certified.

(Signed,) Wm. H. Lee, $\begin{aligned} & \text { Clerk, Privy Council. }\end{aligned}$

To the Railway Commissioners,
\&e., de., . \&c.

## Copy of a Report of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 11th January, 1870.

On a memorandum, dated 31st July, 1860, from the Intercolonial Railway Commissioner, bringing under the attention of the Government the question of the rolling stock required for the working of that Railway;

The Commissioners state that, as there may be doubt as to the wording of the Intercolonial Railway Act covering the supply of rolling stock, they desire to obtain the authority of the Government before taking any steps for entering into contracts of this character.

That they are of opiuion, that to ensure proper workmanship and material, and to have the stock ready when required, the order must be given without delay.

They, therefore, recommend that they be authorized to enter into the necessary arrangements for ordering the rolling stock for the Intercolonial Railway.

The Committee concur in the report of the Commissioners, and recommend that they be authorized to advertise for tenders for the construction of forty engines, two hundred and fifty box freight cars, and one hundred and fifty platform cars.

Certified.

> (Signed,) Wm. H. Lee,

Clerk, Privy Council.
To the Commissioners Intercolonial Railway.

Copy of a Report of the Commissioners of the Intercolonial Railway to the Honorable the,
Privy Council, of date 24th March, 1870.
The Commissioners for the construction of the Intercolonial Railway have now to report, for the information of the Governor in Council, regarding

## Rolling Stock:

Uuder authority of Mirute of Council, of date 11th January last, the Commissioners advertised for tenders for

> 40 locomotive engines, 250 box freight cars, 150 platform cars,
tenders to be received up to 7 o'clock p.m. on 17th March last.
A list of the tenders received is hereto annexed.
After full consideration, the Commissioners have decided to recommend to Council that the following contracts be awarded, viz., for -

150 box freight cars to $W$. Hamilton \& Son, Toronto, at $\$ 119$ per car.

| 50 | Gough \& Hunter, Chatham, | 735 | $\#$ |
| :--- | :--- | :--- | :--- |
| 50 John F. Teed, Dorchester, | 765 | $\#$ |  |
| 90 | platform cars to W. Clendinning, Montreal, | 570 | $\#$ |

60 " International Iron and Steel Co., Londonderry, at $\$ 580$ per car.
A. Walsh,

Ed. B. Chandler, C. J. Brydaes, A. W. McLiblan, Commissioners.

Tenders for Box, Freight Cars and Platform Cars, 19th March, 1870.

| No. | Tenderers. | Residence. |  | Price. |  | Price. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 750 |  | ${ }_{6}$ |
| 2 | Canadian Iron Company......... | Dingston | 250 | 750 | 150 150 | 671 |
| 5 | Mic do do ...... |  | 250 | 815 | 150 | 641 |
| 6 | Shaffer \& Curry | Windsor, N.S. | 250 | 800 | 150 | 630 |
| 8 | John F. Teed | Dorchester | 100 | 765 | 100 | 580 |
|  | Intercolonial Iron \& Steel Compan | Londonderry | 250 | 770 | 150 | 580 |
| 10 | Hyslop \& Ronald | Chatham, 0 | 100 | 900 | 50 | 600 |
| 12 | Simon Peters. | Quebec. | 250 | 774 | 150 | 630 |
| 13 | W. Clendinning | Montreal | 250 | 752 | 150 | 570 |
| 14 | W. Hamilton \& Son | Toronto | 200 | 719 | 150 | 615 |
| 15 | W. Montgomery \& Co. | Halifax | 125 | 900 | 70 | 750 |
| 16 | Gough \& Hunter | Chatham, N | 70 | 735 | 80 | 610 |
| 18 | Thomas Temple | Fredericton. | 20 | 795 | 40 | 695 |
| 19 | James Harris. | St. John, N.B | 150 | 799 | 150 | 599 |
| 20 | do do ${ }_{\text {Randall }}$ Barmett \& | Port Hope. | 150 250 | 819 | 150 | 614 |
| $\stackrel{23}{25}$ | Randall, Barnett \& C | Port Hope. | 250 | 1815 |  |  |
| 27 |  <br> George Nielson. | Halifax ${ }^{\text {Belleville }}$ | 100 | 1,057 | $\begin{array}{r} 50 \\ 150 \end{array}$ | 745 580 |
| 28 | John Clements . | Toronto | 150 | 760 | 100 | 650 |
| Informal | Pierre Legare. | Charlesbourg | No price named. |  |  |  |

Copy of a Report of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 29th March, 1870.
The Committee of Council, having had under consideration the annexed Memorandum, dated 24th March, 1870, from the Commissioners for the construction of the Intercolonial Railway, submitting a Schedule of Tenders received by them, under the authority of the Minute in Council of the 11th January last, for the supply of box, freight cars and platform cars for the use of that road, they recommend that the following contracts be awarded, viz:-

150 box cars to Messrs. W. Hamilton \& Son, Toronto, at $\$ 719$ per car ;
50 box cars to Messrs. Gough \& Hunter, Chatham, N. B.;
And 50 box cars to Mr. John F. Teed, Dorchester, N. B.
Provided that these parties are prepared to construct them at the same price as Messrs. Hamilton \& Son, viz: : $\$ 719$ per car.

They further recommend that 90 platform cars be given to Mr. W. Clendinning, Montreal, at $\$ 570$ per car.

And 60 to the Intercolonial Iron and Steel Company, Londonderry, N. S., provided that they are prepared to construct them at the same rate, viz.: $\$ 570^{\text {per car. }}$

Certified.
(Signed,)

Wh. H. Lee,<br>Clerk, Privy Council.

To the Commissioners Intercolonial Railway.

Copy of a Report of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 10th May, 1870.
The Committee have had under consideration the Memorandum dated 16 th April, 1870, from the Commissioners for the construction of the Intercolonial Railway, submitting
communications from Messrs. Gough \& Finter and from Mr. John F. Teed in reference to the offer made them respectively of a contract for the construction of a certain number of railway cars, provided they accepted the rate proposed by the lowest tender, viz: $\$ 719$ per car.

Messrs. Gough \& Hunter remonstrate against the proposed reduction on the ground, first and chiefly, that their tender was for delivery in Nova Scotia and New Brunswick, whereas, that of the'lowest tender was for delivery at Riviere du Loup, and secondly that the larger number proposed to be constructed by the Messrs. Hamilton \& Son enables them to furnish them at the lower price.

Mr. Teed telegraphis to the Commissioners requesting that $\$ 735$ per car be ${ }^{-x}$ allowed him, and calls attention to the circumstances that the "clause for delivery may form a "considerable item."

The Commissioners submit these documents for the farther consideration of Your Excellency in Council, at the same time remarking that they were informed verbally by the agent of Hamilton \& Son, that their tender only contemplated delivery at Rivière du Loup, and they consequently awarded them a contract for the number necessary to be delivered at that point, and accepted what seemed to them the most advantageous tenders for the cars deliverable in New Brunswick and Nova Scotia.

The Commissioners, under the circumstances above set forth, would advise that a contract for the construction of 50 cars to be given to each of the above firms, Messrs. Gough \& Hunter and Mr. Teed, at the rate of $\$ 735$ per car.

Certified.
(Signed, Wm. H. Lee,
Clerk, Privy Council.

To the Commissioners Intercolonial Railway.

Copy of "Memorandum" from Department of Public Works, of date 5th April, 1870.

> Departaent of Public Works, $\begin{aligned} & \text { OTTAWA, April } 5 \text { th, } 1870\end{aligned}$

## Memorandum.

The undersigned has the honor to report, that the Commissioners of the Intercolonial Railway have represented to him that a portion of the Metapediac Government Road (skirting the river of that name, near its confluence with the Restigouche River), for a distance of about 3 miles, is required for the track of the Intercolonial Railway.

That the construction of another road for said distance is consequently rendered necessary. .

That it is of importance the works to be undertaken, in order to accomplish this, should be proceeded with immediately, so that the large quantity of timber required in building the road against the precipitous bank of the river may be procured before the hauling of the timber from the woods becomes impracticable because of the thawing away of the snow.

Further, because if any delay is allowed to take place, the probabilities are the road could not be built this summer so as to be available when the existing one is broken $u_{p}$, and seeing it forms part of the only communication there is between the settlements on the St. Lawrence and the Bay des Chaleurs as far as Gaspé, and a large tract of country in New Brunswick, very serious inconvenience would necessarily result to the public therefrom.

That Mr. Daniel Frazer, a contractor of experience, who has already executed works for the Government, has offered to construct the road for the sum of $\$ 17,126 ;$ a figure within the estimate of the cost of the works made by the resident engineer of that Section of the Intercolonial Railway.

That Mr. Frazer is a man of means and enorgetic habits; and likely to fulfil a contract with the Department satisfactorily.

That to avoid delay in the completion of said works and the consequent evils that would result therefrom, as shown above, the undersigned would not advise that the construction of them be advertised for public tender, but he would recommend, that he be authorized to enter into contract with Mr. Daniel Frazer for the carrying out of the same for the sum of $\$ 17,126$ (seventeen thousand one hundred and twenty-six dollars), the Commissioners of the Intercolonial Railway reimbursing the Department to that amount.

Respectfully submitted.
(Signed,)

Hector L. Langevin, Minister Public Works.

## Copy of Estimate of Metapedic Road Diversion.

Estimate of Cost of constructing Public Road near the lower end of the Metapedia Valley, where the present road will be destroved by the construction of the Railway:


28th March, 1870.

Copy of a Report of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 6th April 1870.
On the recommendation of the Hon. the Minister of Public Works, and for the reasons given in his Report of 5th April, 1870, the Committee advise that he be authorized to enter into contract with Mr, Daniel Fraser, for the construction of a portion of the Metapediac

Road, about three miles in length, to replace a portion of the present road, which is required for the line of the Intercolonial Railway, the contract price being $\$ 17,126$, a rate within the Estimate of the Cost by the resident Engineer on the Section of the Intercolonial Railway, which amount they recommend be refunded to the Department of Public .Works, by the Commissioners.

Certified.
(Signed,)
The Commissioners Intercolonial Railway.

## Copy of a Report of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 10th May, 1870.

On the recommendation of the Hon. the Minister of Public Works, the Committee advise, that the Intercolonial Railway Commissioners be authorized to place the sum of $\$ 17,126$ to the credit of the Public Works Department, to enable the Department, to construct that portion of the Metapedia Road, abont three miles in length, which is required to replace the portion of said Road, that has been taken into the line of the Intercolonial Railway, as authorized in Council, 6th April 1870. Certified.

Wm. H. Lee,<br>Clerk, Privy Council.

The Commissioners Intercolonial Railway.

Copy of a Report of the Commissioners of the Intercolonial Railway, to the Honorable the Privy Council, of date 14th April, 1870.
The Commissioners for the Construction of the Intercolonial Railway have now to report to the Governor in Council, with reference to the tenders for Sections, Nos. 3 and 4 (the previous contracts for which had been annulled), and also for Sections Nos. 13, 14, 15 and 16.

Tenders were received up to 7 o'clock p. m. on Monday, 4th April, 1870.
Two hundred and forty-five tenders in all were received, as per list herewith enclosed.

Section No. 3.
The Chief Engineer estimates the minimum cost at which the work upon this Section can be executed, to be $\$ 530,000$ (the maximum being $\$ 705,000$ ). Thirty-eight tenders for this Section were received, the lowest of which are :-

No. 34. Tracey \& Murphy, Halifax,.......... $\$ 438,480$ or $\$ 18,270$ per Mile
"
71. Sutherland Grant \& Co., Amherst,... 456,000
138. Berlinguet \& Co., Quebec,..........
68. Sutherland, Oakes \& C $0 .$, Holifax
476,444
47600
68. Sutherland, Oakes \& Co., Halifax,... 477,600 " 19,900 "
100. P. Purcell, Williamstown,........... 496,800 ", 20,700 ",

After enquiry, the Commissioners are not satisfied with the skill, experience and resources of the parties to tenders Nos. 34, 71, and 68.

With respect to No. 138, the Commissioners have ascertained (from the parties themselves) that "Berlinguet \& Co." and "J. B. Bertrand \& Co.," are the same firm as regards Tenders for Sections Nos. 3 and 15, and the Commissioners having decided to recommend acceptance of the tender of Messrs. Bertrand \& Co. for Section No. 15 (which adjoins Section No. 9, now under contract to Messrs. Bertrand \& Co.), and having had experience of the unsatisfactory results of awarding to the same party, separate contracts at a distance from each other, deem it inexpedient to recommend acceptance of the tender
of Messrs Berlinguet \& Co. for Section No. 3. The Commissioners, being satisfied with the skill, experience and resources of Mr. P. Purcell, recommend that his tender for Section No. 3, for the sum of $\$ 496,800$, or at the rate of $\$ 20,700$ per mile, be accepted

Section No. 4.
(Chief Engineer's Estimate :-Minimum, $\$ 441,000 ;$ Maximum, $\$ 573,000$ ).
Forty-three Tenders for this Section were received, of which the lowest are:-
No. 35. Tracey \& Murphy, Halifax, . . . . . . . . $\$ 375,543$ or $\$ 13,900$ per mile.
62. Sumner \& Somers, Truro,.. . . . . . . . . . 393,000 " 14,556 ,"
44. Jos. Townshend, Dorchester,.......... 398,737 " 14,768 ",
65. Sutherland, Oakes \& Co.', Halifax. ... 410,601 " 15,207 ,"
77. J. McManus \& Son, Wemraincook. . 431,297 ", 15,973 "
76. R. P. Mitchell \& Co., Halifax, ...... 434,955 " 16,109 ",
,, 143. Smith \& Pitblado, Amherst, . . . . . . . . 438,326 " 16,234 ",
With respect to Tender No. 62, the parties are contractors for Section No. 12, and the Commissioners find that it is not expedient to award to them a second contract.

As to Tenders Nos. 35, 44, 65, 77 and 76, the Commissioners, after making careful enquiries, are not satisfied with the skill, experience and resources of the parties tendering, and therefore cannot recommend acceptance of any of these tenders.

With reference to No. 143, it will appear from the tender, that the amount obtained by taking the rate per mile, is different from the amount stated in the tender, and the Commissioners directed that a telegram be sent to the parties, of which the following is. a copy :-
"To Smith \& Pitblado,
"Amherst, N. S.
"What is gross amount of your tender for Section four."
(Signed,)
"C.S. Ross, Șecretary."

The following reply was received :-

To C. S. Ross.

" Amherst, N. S., 13th April, 1870.

"Reseived despatch ; refer you to our Agent, David Douglas present. (Signed,) "Smith \& Pitblado."

And Mr. Douglas handed in a letter, of which the following is a copy :-
Ottawa, 14th April; 1870.
Sir,-As Messrs. Smith \& Pitblado have, by telegraph, informed me that they have referred you to me as their Agent, for particulars as to the sums named in their Tender for Section No. 4; of the Intercolonial Railway; I beg leave to explain, that the sum for which they offer to construct the work is four hundred and thirty-eight thousand three hundred and twenty-five dollars and eighty-three cents, being at the rate of sixteen thousand two hundred and thirty-four dollars and twenty-nine cents ( $\$ 16,234.29$ ) per mile. I may add, that I am partner of Robert Smith \& Co., and am authorised by Smith \& Pitblado to act for them and sign their names.

Yours respectfully,
(Signed,)
David Dodglas
A. Walsh, Esq. M. P.

Chairman, Intercolonial Railway Commission.

Assuining the tender of Messrs. Smith \& Pitblado to be for the sum ot $\$ 438,325$ or $\$ 16,234$ per mile, the Commissioners being satisfied with the skill ,experience and resources of chese parties, recommend that their tender for Section No. 4 be accepted.

## Section No. 13.

(Chief Engineer's Estimate.-Minimum, $\$ 1,003,000$; Maximum, $\$ 1,285,000$ ).
Forty-two tenders for this Section were received, of which the lowest are :-
No. 31. John McKinsey, Halifax. . . . . . . . . $\$ 738,000$ or $\$ 36,000$ per mile.


With respect to Tenders Nos. 31, 36, 69 and 30, the Commissioners, after making carceful enquiry, are not satisfied' with the skill, experience and resources of the parties, and therefore cannot recommend acceptance of any of their tenders.

The Tender No. 220, W. E. Macdonald \& Co., shows a lump sum of $\$ 909,933$, or 844,387 per mile, but the parties handed in a letter of which the following is a copy :-

"Glencoe, 5th April, 1870.

"We find that the sum intended to cover the expense of coffer-damming, pumping, " bailing, has been omitted in our tender for Section No. 13, which was $\$ 13,000$ (thirteen "thousand dollars) ; also, the sum of $\$ 12,000$ (twelve thousand dollars) for roads and "shanties. This would make our tender for this Section $\$ 934,933$ (nine hundred and "thirty-four thousand nine hundred and thirty-three dollars), or at the rate of about "\$45,606 (forty-five thousand six hundred and six dollars) per mile. Hoping you will "accept thisexplanation, and make this part of our tender.

$$
\text { "We remain, } \text { "Yours, faithfully, }
$$

(Signed,) " W. E. Macdonald \& Co." To the Commissioners of the Intercolonial Railway.

As this still left their tender the next above that of D. Sutherland \& Co., No. 30, and still under the next higher, No. 99, P. Purcell, $\$ 936,047$, the Commissioners being satisfied with the skill, experience and resources of Messrs. W. E. Macdonald \& Co., recommend that their tender for Section No 13, for the sum of $\$ 934,933$, or at the rate of $\$ 45,606$ per mile, be accepted.

## Section No. 14.

(Chief Engineer's Estimate-Minimum, $\$ 245,000$; Maximum, $\$ 323,000$ ).
Thirty-nine tenders for this Section were received, of which the lowest are :-
No. 8. D. C. Archibald, Metapedia,......... $\$ 230,600$ or $\$ 10,278$ per mile.
142. Nielson \& McGaw, Belleville,......... 245,475 ,, 10,910 ".

Tender No. 8 is not signed by the sureties, and not being in accordance with the advertised conditions, was ruled out.

The Commissioners being satisfied with the skill experience and resources of Messrs. Nielson \& McGaw, recommend that their tender for Section No. 14, for the sum of $\$ 245,475$, or at the rate of $\$ 10,910$ per mile, be accepted:

## Section No. 15.

(Chief Engineer's Estimate.-Minimum, $\$ 424,000$; Maximum, $\$ 550,000$ ).
Forty-four tenders for this Section were received, of which the lowest are :-
No. 38. Tracy \& Murphy, Halifax,............. $\$ 316,415$ or $\$ 26,150$ per mile.
139. J, B. Bertrand \& Co., Quebec,......... 360,020 " 30,000 "

The Commissioners, after careful enquiry about the parties to tender No. 38, are not satisfied with their skill, experience and resources, and therefore cannot recommend acceptance of their tender.

The Commissioners being satisfied with the skill, experience and resources of Messrs. J. B. Bertrand \& Co., recommend that their tender for Section No. 15, for the sum of $\$ 360,000$, or at the rate of $\$ 30,000$ per mile, be accepted.

## Section 16.

(Chicf Enginuer's Estimate.-Minimum, $\$ 231,000$; Maximum, $\$ 304,000$ ).
Thirty-nine tenders for this Section were received, of which the lowest is No. 159, S. J. King and J. C. Gough, of St. John and Chatham, N. B., for the sum of $\$ 206,000$, or at the rate of $\$ 11,135$ per mile:

The Commissioners being satisfied with the skill, experience aud resources of Messrs. King \& Gough recommend that their tender for Section No. 16, as above, be accepted.
(Signerl),
A. Walsh,
A. W. McLelan,

Commissioners.

Subsequently, viz., on 39th April, 1870, the following Supplemeatary Report to Council was adopted.
At the request of Messrs. Berlinguet \& Co., who tendered for Section No. 3, the Commissioners for the construction of the Intercolonial Railway, have to report the correspondence in reference to that tender, subsequent to the report of the Commissioners, of date 14th April, having been referred back for reconsideration.

On 26th April the Commissioners directed the following telegrams to be despatched :-
(1.) "F. X. Berlinguet, " 29 , John street, Quebec.
"Who are parties associated with you in tenders."
(Signed,)
"C. S. Ross, Secretary."
Ottawa, 26th April, 1870.
(2.) " J. B. Bertrand,
" $29 \frac{1}{2}$, Rue Richardson, Quebec.
"Who are parties associated with you in tender for Section fifteen."
(Signed,)
"C. S. Ross, Secretary."

Otrawa, e6th April, 1870.
(3.) "Dunn \& Home;
"Who are parties associated with Berlinguet in his tenders."
(Signed,)
"C. S. Ross, Secretary."

The following replies were received :-
To C. S. Ross.
Quebec, 26th April; 1870,
"Will carry out contract awardel to is coyjointly with Bertrand."

Quebec, 26th April, 1870.

"To C. S. Ross.

"Berlinguet will be associated with us in carrying out contract fifteen, if awarded tous."
"J. B. Bertrand \& Co."
"To C. S. Ross, Secretary.
"If any tenders are awarded Berlinguet, we intend to carry them out in conjuction with Bertrand."
(Signed,) " "DunN \& Home."

Copy of a Report of a Committee of the 'Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 11th May, 1870.

The Committee of Council have had under consideration the Report, dated 27th April, 1870, and the Supplementary Report of the 29 th of the same month, from the Commissioners for the construction of the Intercolonial Railway, and on the recommendation of the Hon. the Minister of Public Works, they submit, for Your Excellency's approval, the following recommendations on the tenders submitted for the undermentioned Sections of that line :-

## For Section No. 3.

That the tender of Messrs. Berlinguet \& Co., of Quebec, for the sum of $\$ 462,444$, or at the rate of $\$ 19,22233$ per mile, be accepted.

For Section No. 4.
That without allowing Messers. Smith \& Pitblado to explain the data of the tender made by them, their offer for this Section at the rate of $\$ 16,23429$ per mile, be accepted.

For Section No. 13.
That in the opinion of the Committee, Messrs. W. E. Macdonald \& Co. should not receive the $\$ 25,000$ mentioned in their letter of the 5 th April, the same being in excess of the amount of their tender, but that their original tender for this section, viz., for $\$ 934,933$, or at the rate of $\$ 45,606$ per mile, be accepted.

## For Section No. 14.

That the tender of Messrs. Nielson \& McGaw, for the sum of $\$ 245,475$, or at the rate of $\$ 10,910$ per mile, be accepted.

## For Section No. 15.

That the tender of Messrs. J. B. Bertrand \& Co., for the sum of $\$ 360,000$, or at the rate of $\$ 30,000$ per mile, be accepted.

For Section No. 16.
That the tender of Messrs. King \& Gough, for the sum of $\$ 206,000$, or at the rate of $\$ 11,135$ per mile, be accepted. Certified.
(Signed,)

Wis. H. Lee,<br>Clerk, Privy Council.

## Copy of a Report of two of the Commissioners of the Intercolonial Railway to the Honorable the Privy Council, of date 13th May, 1870.

The undersigned Commissioners for the construction of the Intercolonial Railway, have to report for the information of the Governor in Council, that they have received a letter from the Chief Engineer on the subject of the quantities of work on Section No. 15, of which the following is a copy :-
" I regret to say that mistakes have been discovered in the printed quantities of " work on Section No. 15. It would, therefore, be undesirable to place this Section under " contract at the present time. I shall, as soon as Mr. Smith has an opportunity of " enquiring into the matter on his return to Dalhousie, report on the subject, and furnish " revised quantities.

> " (Signed,) Sandford Fleming."

Under the circumstances, the undersigned are of opinion that it would be inexpedient either to enter into a contract now with Messrs. Bertrand \& Co: (to whom the Section has been awarded) in terms of their tender; or to advertise it again for letting when the quantities have been correctly ascertained. As the correct quantities are beyond doubt greater than those given on the bill of works on which tenders were based; and as a schedule of prices for each separate kind of work is given on the tender, the undersigned suggest that the Commissioners be authorised to write to Messrs. Bertrand \& Co., informing them that contract for Section No. 15 has been awarded to them; but that as it is believed the quantities are in excess of those stated in the printed bill of works, the Commissioners propose to add to the amount of the contract, a sum which will represent the equivalent of such excess.

Also, that the Commissioners be directed to report to Council the difference in amount of the contract sum, when the Chief Engineer has reported the correct quantities, in order that the approval of Council may be got before the contract is signed.

$$
\begin{array}{ll}
\text { (Signed,) } & \text { Ed. B. Chandler. } \\
& \text { A. W. MoLelan. }
\end{array}
$$

(Note.)
Subsequently the Chief Engineer reported that the differences in quantities of works on Section No. 15 were ascertained to be as follow, viz. :-

1. The "rock excavation" was ascertained to be 6,500 cubic yards, while it had been called 7,600 in the printed bill of works.
2. The "earth excavation" on bill of works was called 607,000 cubic yards, while it was afterwards found that it should have been stated as 630,000 cubic yards.

Then Messrs. Bertrand \& Co., in the schedule of prices, attached to tender placed rook exavation at $\$ 1$ per cubic yard, and earth excavation at 20 cents per cubic yard.

$$
\begin{aligned}
& \text { Their lump sum in tender was ............................. } \$ 360,020 \\
& \text { Add, for 23, } 000 \text { cubic yards of earth excavation, at } 20 \text { cents } \\
& \text { 4,600 } \\
& \text { \$364,620 } \\
& \text { Deduct, } 1,100 \text { cubic yards rock excavation at } \$ 1 . \ldots \ldots \ldots \\
& \text { 1,100 } \\
& \$ 363,520
\end{aligned}
$$

for which sum contract was entered into.
The tender next above that of Messrs. Bertrand \& Co. was "No. 75. R. P. Mitchell \& Co., $\$ 363,741$." Therefore, no other person tendering was prejudiced by the arrangement made ; nor did Messrs. Bertrand \& Co. or Government suffer, since differences were adjusted at prices named in their schedule.

Copy of a Report of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on tho 13th May, 1870.

The Committee of Council have had under consideration the Memorandum, dated 13th May, 1870, from the Commissioners for the construction of the Intercolonial Railway, and on the recommendation of the Honorable the Minister of Public Works, they respectfully advise that the recommendation of the Commissioners in reference to Section No. 15 of that line be approved, and that the contract be awarded to Messrs. Bertrand \& Co., paying them for the quantities found to be in excess of those given in the printed bill of works, at the schedule prices submitted in connection with their tender. Certified.
(Signed) Wm. H. Lee, Clers, Privy Council.
To the Commissioners Intercolonial Railway.

Copy of a Report of the Commissioners of the Intercolonial Railway to th: Ucnorable the Privy Council, of date the 12th May, 1870.
The Commissioners for the construction of the Intercolonial Railway have now to report to the Governor in Council, with reference to the tenders for Sections Nos. 5, 6 and 7 (the previons contracts for which had been annulled).

Tenders were received up to 7 o'clock p.m. on Saturday, 7th May, 1870.
One hundred and eight tenders in all were received, as per list herewith enclosed.

## Section No. 5.

The Chief Engineer estimates the Minimum cost at which the work upon this Section can be executed to be $\$ 542,000$, and the Maximum cost $\$ 700,000$.

Thirty-four tenders for this Section were received, of which the lowest are :-
No. 69. J. \& T. D. McGuire, St. Marie... $\$ 454,503$ or $\$ 17,480$ per mile.

| , | 468,000 " 18 |
| :---: | :---: |
| 32. H. McDonald, Alexandr | 500,000 \# 19,230 |
| 16. A. Le Page, Rimousk | 510,600 " 19,600 |
| 66. H. McMillan \& Co., | 530,000 " 20,384 |
| 100. A. McDonell \& Co., | 533,000 " 20,500 |

After enquiry; the Commissioners are not satisfied with the skill, experience and resources of the parties to the tenders Nos. $69,50,32,16$ and 66.

The Commissioners being satisfied with the skill, experience and resources of Messrs. A. McDonell \& Co., recommend that their tender for Section No. 5, for the sum of $\$ 533,000$, or at the rate of $\$ 20,500$ per mile, be accepted.

## Section No. 6.

(Chief Engineer's Estimate.-Minimum, $\$ 493,000$; Maximum, $\$ 615,000$ ).
Thirty-two tenders for this Section were received, the lowest of which are :-


After enquiry, the Commissioners are not satisfied with the skill, experience and resources of the parties to the tenders Nos. 6, 58, 49 and 34.

With respect to No. 31, as contract for Section No. 3 has been awarded to Messrs. Berlinguet \& Co., the Commissioners are not prepared to recommend that another section should be awarded to them.

The Commissioners being satisfied with the skill, experience and resources of Messrs. J. \& G. Jackson, recommend that their tender for Section No. 6, for the sum of $\$ 470,000$, or at the rate of $\$ 22,380$ per mile, be accepted.

## Section No. 7.

(Chief Engineer's Estimate. -Minimum, $\$ 585,000$; Maximum, $\$ 750,000$ ).
Forty-two tenders for this section were received, of which the lowest are :-


With regard to No. 44, the parties have already a contract for Section No. 12, and as to No. 108, the Commissioners have recommended that Section No. 6 be awarded to them. In both cases, the Commissioners are not prepared to recommend an additional contract.

With respect to No. 1, W. Kingsford, no sureties have signed the tender ; with respect to Nos. $4,30,21,33,74,7$, and 98 , after enquiry, the Commissioners are not satisfied with the skill, experience and resources of the parties to these tenders.

The Commissioners, being satisfied with the skill, experience and resources of Messrs. James Simpson and Co., recommend that their tender for Section No. 7, for the sum of $\$ 557,750$, or at the rate of $\$ 23,000$ per mile, be accepted.
(Signed,)
A. Walsh,
A. W. McLelan, Commissioners.

I concur in the above report, except as regards Section No. 7. I cannot concur in the reason for passing Tender No. 1 by W. Kingsford, because I believe he possesses the necessary skill, experience and resources to carry on the work; and because, as regards security, he offers to allow $\$ 20,000$ of the amount of his first estimates to remain in the hands of the Commissioners until the completion of the whole work, in addition to the per centage to be retained ; and he further states, that if that proposal, which is the same course that was considered highly satisfactory in the case 'of Messrs. Worthingtons' contracts, is not accepted, he will find such personal security as will be satisfactory to the Commissioners. For these reasons, I thiak his tender for Section No. 7 ought to be accepted.

Copy of a Report of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 13th May, 1870.

The Committee of Council have had under consideration the Memorandum dated 13th May, 1870, from the Commissioners for the construction of the Intercolonial Railway, and, on the recommendation of the Honorable the Minister of Public Works, they respectfully advise that the following tenders for the construction of Sections Nos. 5, 6 and 7 of that line, be accepted ; that is to say:-

## For Section No. 5.

That of Messrs. A. McDonald \& Co., for the sum of $\$ 533,000$, or at the rate of $\$ 20,500$ per mile.

## For Section No. 6.

That of Messrs. F. X. Berlinguet \& Co., of Quebec, for the sum of $\$ 456 ; 946$, or at the rate of $\$ 21,759$ per mile.

## For Section No. 7.

That of Messrs. James. Simpson \& Co., of Londonderry, for the sum of $\$ 557,750$, or at the rate of $\$ 23,000$ per mile.
(Signed,)
To the Commissioners, Intercolonial Railway.

Wm. H. Lee;

Clerk, Privy Council.

## In 'Conimittee, 13 th May, 1870.

On a Memorandum, dated 13th May, 1870, from the Honorable the Minister of Public Works, having reference to the recommendation contained in his Report of the 28th April, as far as it relates to Section No. 13 of the Intercolonial Railway; and reporting, that on further communication from the Commissioners, he has learned that the letter of Messrs. W. E. Macdonald \& Co., dated Glencoe, 5th April, 1870, correcting certain errors in their tender was received by the Commissioners on the day upon which the tenders were opened, and having been attached to that of W. E. Macdonald \& Co., formed part thereof.

He therefore reconmends that their tender be accepted, as notified by the said letter.
The Committee submit the above recommendations for Your Excellency's approval. Certified.
(Signed, W. H. Lee, Clerk, Privy Council.

Copy of Report of the Commissioners of the Intercolonial Railway to the Honorable the Privy Council, of date the 28th May, 1870.
The Commissioners appointed to construct the Intercolonial Railway have to report to the Governor in Council, regaroing tenders for Sections Nos. 17, 18 and 19.

Tenders were received up to 7 o'clock p.m., on 25th May. Eighty-nine tenders were received, as per list berowith:

## Section No. 17.

(Chief Engineer's Estimate.-Minimum, $\$ 500,000$; Maximum, $\$ 668,000$ ).
Thirty-one tenders for this section were received, of which the lowest are :-
No. 62. Ralph Jones, Port Hope ............ $\$ 389,130$ or $\$ 19,456$ per mile.
15. S. Rettie \& Co., Truro ............. 389,779 , 19,488 ,
$11 \frac{1}{2}$ A. Sylvain \& Co., Bic.............. 396,000 " 19,800 ",
14. R. Litster \& Co., Halifax............ 405,780 ", 20,289 ",
44. S. P. Tuck, St. John................... 440,000' " 22,000 ",

With regard to No. 62, the Commissioners received a letter from Mr. Jones, of date 26th May, in which he asks leave to withdraw his tenders for Sections Nos. 17, 18 and 19, and they are accordingly held to be withdrawn.

As to Tender No. 15, the Commissioners are advised that Mr. Rettie now declines to accept the contract if awarded to him.

As to Tender No. $11 \frac{1}{2}$, the Commissioners, after enquiry, are not satistied with the skill, experience and resources of the parties, and therefore cannot recommend acceptance of their tender.

With respect to Tender No. 14, the Commissioners are informed that the sureties named are responsible ; but that they state they never heard of such a firm as R. Litster \& Co., and it is evident that they never signed the tender. In the circumstances, the Commissioners cannot recommend acceptance of the tender.

The Commissioners being satisfied with the skill, experience and resources of Mr . S . Parker Tuck, recommend that his tender for Section No. 17, being for the sum of $\$ 440,000$, or at the rate of $\$ 22,000$ per mile, be accepted.

## Section No. 18.

(Chief Engineer's Estimate.—Minimum, $\$ 737,000$; Maximum, $\$ 988,000$ ).
Twenty-nine tenders for this Section were received, of which the lowest are :-
No. 18. S. Rettie \& Co., Truro....... . . . $\$ 514,500$ or $\$ 25,725$ per mile.


With regard to No. 18, the Commissioners are advised that Mr. Rettie now declines to accept the contract if awarded to him.

Tender No. 63 has been withdrawn, as stated above.
After enquiry, the Comnissioners are not satisfied with the skill, experience and resources of the parties to Tender No. 16, and therefore cannot recommend its acceptance.

Tender No. 45 has been withdrawn at request of Mr. Tuck.
The Commissioners being satisfied with the skill, experience and resources of Mr . R. H. McGreevy, recommend that his tender for Section No. 18, being for the sum of $\$ 648,600$, or at the rate of $\$ 32,430$ per mile, be accepted.

## Section No. 19.

(Chief Engineer's Estimate, Minimum, $\$ 440,000$; Maximum, $\$ 580,000$ ).
Thirty tenders for this section were received, of which the lowest are:-
No. 49. P. Ross \& Co., St. John........... $\$ 276,621$ or $\$ 29,118$ per mile.



With respect to Tenders Nos. 49 and 31, both of which are made up by the same person, there is an important error in each, viz. : 427,000 cubic yards of earth excavation, at 25 cents per yard, are carried out $\$ 10,675$, instead of $\$ 106,750$, making a difference of $\xi_{i} 96,075$, and both tenders are therefore ruled out.

With regard to Tenders No. 17 and 82, after enquiry, the Commissioners are not sutisfied with the skill, experience and resources of the parties, and therefore are not 1 I epared to recommend acceptance of either of the tenders.

With respect to No. 88, the Commissioners have received a letter from Mr. Purcell, wherein he states that he has discovered an important error in his tender, and therefore requests leave to withdraw it. It is accordingly held to be withdrawn.

No. 64, R. Jones \& Co., is also withdrawn as stated above.
With respect to Tenders No. 46, S. P. Tuck, and No. 61, R. H. McGreevy, the Commissioners having recommended acceptance of the tenders of these parties for Sections Nos. 17 and 18 respectively, are not prepared to recommend that a second section be awarded to either of them.

The Commissioners being satisfied with the skill, experience and resources of Messrs. A. S. McDonald \& Co. recommend that their tender for Section No. 19, being for the sum of $\$ 409,750$, or at the rate of $\$ 44,244$ per mile, be accepted.
(Signed,) . A. Walsh,
E. B. Chandler,
C. J. Brydges,
A. W. McLelan,

Commissioners.

Copy of a Report of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the, 9th June, 1870.

The Committee of Council have had under consideration the Report, dated 9th June, 1870, from the Commissioners for the construction of the Intercolonial Railway, and on the recommendation of the Honorable the Minister of Public Works, they respectfully advise that the following tenders, for the construction of Sections 17, 18 and 19 of that line, be accepted, that is to say :-

For Section No. 17.
That of Mr. S. Parker Tuck, of St. John, N.B., for the sum of $\$ 440,000$, or at the rate of $\$ 22,000$ per mile.

For Section No. 18.
That of Mr. R. H. McGreevy, for the sum of $\$ 648,600$, or at the rate of $\$ 32,430$ per mile.

For Section No. 19.
That of Mr. S. Parker Tuck, of St. John, N.B., for the sum of $\$ 395,733$, or at the rate of $\$ 42,400$ per mile.

Certified.
(Signed,) Wm. H. Lee,
Clerk, Privy Council.

Copy of a Report of the Commissioners of the Intercolonial Railway to the Honorable the Privy Council, of date 5th July, 1870.
The Commissioners appointed to construét the Intercolonial Railway beg leave to report to Council, on the tenders for locomotive engines.

A list of the tenders is annexed.
The tunders from the United States are all too high. So is the tender from Belgium.
Of the English tenders, the lowestis that of the Yorkshire Engine Co.,for $\$ 11,575$ each, but the Commissioners cannot recommend its acceptance, as they are satisfied, after careful enquiry, that engines built according to the specifications could not be satisfactory at such an extremely low price, the parties having to pay both transportation and duties.

The next lowest is that of Dubbs \& Co., of Glasgow, for $\$ 11,000$ in bond. Adding the duty, would make the cost of the engines about $\$ 12,500$ each.

Of the Canadian tenders, that of Mr. Gilbert, of Montreal, is the lowest, but he has since withdrawn it.

The two next are those of W. Montgomery \& Co., of Halifax, for $\$ 13,000$, and the Canadian Engine and Manufacturing Co. of Kingston, for $\$ 12,800$. Both these firms have intimated their readiness, since the tenders were sentin, todeliver the engines at $\$ 12,500$ each.

The Commissioners are of opinion that it is very desirable to maintain engine building establishments in this country, if it can be done without involving greater cost. At the same time, they think it not wise to pass over an English tender, which is so close to the prices at which Canadian tenders have been sent in.

The Commissioners therefore recommend that the following contracts be given :-

1. Dubbs \& Co.- 15 engines, at $\$ 11,000$ each, in bond, making with the duty about $\$ 12,500$ each, to be delivered at St. John,' New Brunswick.
2. The Canadian Engine and Machinery Co.-15 engines, at $\$ 12,500$ each, delivered at Rivière du Loup.
3. Wm. Montgomery \& Co.-10 engines, at $\$ 12,500$ each, delivered at Halifax.
(Signed,)
A. Walsh,
C. J. Brydges,
A. W. McLelan,
E. B. Chandler,

Commissioners.

Tenders for " Locomotive Engines," 19th March, 1870.


Spfcha Tender, by Great Western Railway, of Engines which have been in use.


The Committee of Council have hat before them the Memorandum from the Commissioners for the construction of the Intercolonial Railway, concurred in by the Honorable the Acting Minister of Public Works, submitting a list of Tenders received by them for Locomotive Engines, and for the reasons given in the said Memorandum, they respectfully advise that the following Contracts be given, viz. :-

Messrs. Dubs \& Co., 15 Engines at \$11,000 each in bond ; making, with the duty; about $\$ 12,500$ each, to be delivered at St. John, N. B.

The Canadian Engine and Machinery Company, 15 Engines at $\$ 12,500$ each, delivered at Rivière du Loup.
W. Montgomery \& Co., 10 Engines at $\$ 12,500$ each, delivered at Halifax. Certified.
(Signed, $\quad$ Whr. H. Lee;
Clerk, Privy Council.

Copy of " Heport of the Commissioners of the Interculonial Railway to the Honorable the Privy Counil, of date 6th Joty, 1870.

The Commissioners for the construction of the Intercolonial Railway have to report to the Governor in Council, regarding the Tenders for Section No. 20, which was duly advertised.

Tenders were received up to 7 o'clock p.m.; on Wednesday, the 6 th July instant.
Sixteen tenders, for Section No. 20, weve received as per list. The lowest of these tenders are:-


Tender No. 16 has bsen ruled out in consequence of informalities.
The Commissioners are not satisfied with the skill, experience and resources of the parties to Tenders Nos. 7 and 15, looking to the pectiar and important character of the worles to be contracted for.

The Commissioners being satisfied with the skill, experience and resources of Messss. J. \& G. Jackson, recommend that their tender for Section No. 20, being for the sum of $\$ 612,376$, or at the rate of $\$ 102,062$ per mile, be accepted.
(Signed;)
A. Walsh,

Ed. B. Chindler,
C. J. Brydges,
A. W. McLelan, Commissioners.

Copy of a licport of the Commissioners of the Intercolonial Railway to the Honorable the Privy Council, of date O9rd August, 1870.

The undersigned Commissioners for the construction of the Intercolonial Railway, beg to report to the Governor in Council, that having considered the matters relating to tenders for Section, No. 20, which was referred back to them, together with their report of date 6th July last, they have now to state that the Hon. Mr. Chandler is detained in New Brunswick by illness, and that the Hon. Mr. McLelan advises his being unable to attend the meeting of the Commissioners summoned for this day.

The Commissioners having received, on 15th August, the Chicf Engineer's Estimate of the cost of Section No. 20, submit the same herewith :-
"Minimum, $\$ 493,788$. Maximum, $\$ 683,565 . "$
Mr. Walsh having reconsidered the whole question, adheres to the Report made to Council by the Commissioners on 6th July last, recommending that the Tender of Messrs. J. \& G. Jackson be accepted.

Mr. Brydges, having considered the clocuments relating to the sureties offerded by Messis. Ellis \& Co. in their Tender, referred to the Commissioners by Council, is of opinion, that these 1 apers remove the informalities for which the Tender of Messrs. Ellis $\&$ Co. was ruled out, and as he is satisfied with their skill, experience and resources, he recommends that the Tender of Messrs. W. Ellis \& Co., for Section No. 20, being for the sum of $\$ 520,000$, and it being the lowest tender, be accepted.

> (Signed,)

A. Walsh,<br>C. J. Brydges,<br>Commissioners.

## Copy of a Report of a Commiztee of the Honorable the Privy Council, approved by His Excellency the Governior General in Couneil on the - August, 1870.

On a Memorandum, dated 23rd August, 1870, from the Hon. Sir George E. Cartier, Acting for the Honorable the Minister of Public Works, having reference to the Report of the Intercolonial Railway Commissioners of the 6th July, $\mathbf{7 8 7 0}$, supplemented by the approximate estimate of the Chief Engineer of the cost of Section No. 20, called for by the Council, and also by explanations from two of the Commissioners, and submitting that, with-regard to Section No. 20 of that line, the Tender of Messrs. Ellis \& Co., of Prescott, for $\$ 520,000$ or at the rate of $\$ 86,666$ per mile, being the lowest, was ruled out on account of informality in the signature thereto by the surety proposed by them, which alleged informality has been remedied by intimation in writing from the surety that he is prepared to execute the contract as such surety.

That, in his opinion, the informality complained of was not sufficient to deprive Ellis $\&$ Co. of the benefit of their tender, and recommending that the Tender of Messrs. Ellis as above mentioned be accepted, and that a contract be entered into with them accordingly, and completed within a period of eight days, and that thereupon Contractors be required to use all diligence in at once commencing and prosecuting the work.

The Committee advise that the Tender of Messrs. Ellis \& Co. be accepted, and that the necessary instructions be given in terms of the above Report. Certified.
(Signed,

Wy. H. Lee,<br>Clerk, Privy Council.

Copy of a Leiter fiom C. S. Ross, Secretary to the Honorable J. C. Aikins, Secretary of State, of date 1st September, 1870.
Sir,- - I have the honor to state, for the information of the Honorable the Privy Council, the position of the conditional award by Council on 23 rd ultimo, of Contract for Section No. 20 to Messrs. W. Eilis \& Co.

On 24th August, I informed Messrs. Ellis \& Co. by letter, that their tender for Section No. 20 had been accepted, upon the condititions that the contract should be signed by themselves and sureties on or before the 31st August, and also that the works were to be proceeded with forthwith and in the most vigorous manner. I also stated that the Contract papers and Bond would be prepaied by the Department of Justice in a fow days.

On 25th August, I again addressed Messrs. Ellis \& Co., informing them that the Contract papers were ready for signature at the Department of Justice, and that it would be necessary for Mr. Wiser (one of the sureties, residing at Prescott) to come to Ottawa. to sign the Bond.

On 31st August, about 6 p. m., Messrs. Ellis and Cotton signed thé contract, and Mr. Bailiff, one of the sureties, signed the Bond. I was informed that it was not convenient for Mr. Wiser to come to Ottawa.

The Contract papers have thus not been completed at the date named in the Order in Council ( 8 days from 23rd August), and consequently the conditional award to Messrs. W. Ellis \& Co. has lapsed.

I have, therefore, to request instructions in the matter, and to be informed whether a further report from the Commissioners is required, so that the necessary steps to that end may be taken forthwith:

| I have the honor to be, Sir, |
| :--- |
| Your most obedient servant, |
| (Signed,) |
| C. S. Ross, |

The Honorable J. C. Aikins;
Secretary of State, Ottawa.

Copy of a Report of a Committee of the Honorable the Privy Cowncil, approved by His Excellency the Governor General in Council on the 20th September, 1870.
The Committee have had before them the Report, dated 1st September, 1870, from the Intercolonial Railway Commissioners, stating, in reference to the Order in Council of the 23rd August last, awarding the Contract for Section No. 20 of that line to Messrs. W. Ellis \& Co., that owing to the neglect of one of the sureties to sign the requisite Bond within the period limited by the said Order, the conditional award to Messrs. Ellis \& Co. has lapsed, and requesting instructions in the matter.

The Committee advise that the Order in Council of 23rd August last, above referred to, be cancelled and the award declared lapsed, and that the Report of the Commissioners of the 6th July last, recommending the acceptance of the Tender of Messrs. J: \& G. Jackson, for the above mentioned Section, by referred back to the Commissioners in order that their explanations given verbally in Council may be reduced to writing. Certified.
(Signed,)
Wh. H. Lee,
Clerk, Privy Council.

Copy of a Repoit of the Commissioners of the Intercolonial Railway to the Honorable the Privy Council, of date ?Oth September, 1870.
The Commissioners appointed to construct the Intercolonial Railway have to Report to the Governor in Council, with reference to the Tenders for Section No. 20, upon which they reported on 6th July last, recommending the acceptance of Messrs. Jackson's Tonder.

In considering the Tenders for Section No. ${ }^{2} 0$, the Commissioners were of opinion, that whilst Messrs. Jackson were competent to carry out an ordinary contract, they ${ }^{\circ}$ did not possess the necessary experience for a work of such a peenliar character as that momprised in Section No. 20.

This opinion was intimated to Messirs. Jackson, who after some time advised the Commissioners that they had associated with themselves Messes. Wardrop \& Ryan, and the Commissioners, being satisfied with the skill, experience, and resdurces of these parties combined, recommended the acceptance of Messrs. Jackson's Tender

It was upon the foregoing grounds that the Report to Council of date (ith July was made.
(Signell,
A. Walsh,
Ed. B. Ceandlea,
C. J. Brydges,
Commissioners.

## Copy of a Report of a Committee of the Monorable the Privy Council, approusd by His Excellency the Governor General in Council on the ?0th September, 1870.

The Committee have had under consideration the following Report, dated soth September, 1870, submitted by the Intercolonial Railway Commissioners, in compliance with the Minute in Council, requiring them to reluce to writing the verbal explanations given in Council with reference to their Report of the 6th July last, in faror of accepting the Tender of Messrs. J. \& G. Jackson, for Section No. 20.
"The Commissioners appointed to construct the Intercolonial iailway have to " Report to the Governor in Council, with reference to the Tenders for Section No. 20, " upon which they reported 6th July last, recommending the acceptance of Messrs. J. it " G. Jackson's Tender.
"In considering the Tenders for Section No. $\because(1$, the Commissioners were of opinion, " that whilst Messrs. Jackson were competent to carry out an ordinary contract, they did " nöt possess the necessary experience for a work of such a peculiar character as that " comprised in Section No. 20.
"This opinion was intimated to Messrs. Jackson, who, after some time, advised the "Commissioners that they had associated with themselves Messis. Wardrop \& Ryan, " and the Commissioners being satisfied with the skill, experience and resources of these " parties combined, recommended the acceptance of Messrss. Jackson's Tender.
". It was upon the foregoing grounds that the Report to Council, of date 6th July, " was made."

The Committee of Council are unable to aceept the recommendation of the Commissioners, that contract for Section No. 20 should be awarded to Messrs. Jackson \& Ce., in consequence of the introduction of new parties; possessed of skill and experience, which, in a sufficient degree the original tenderers did not possess then, by making it a new tender. They, therefore, are of opinion that the Commissioners should reconisider their Report, and substitute for Messrs. Jackson \& Co. the name of some tenderer possessed of the requisite skill and experience to execute so important a work.

Certified.
(Signed,) War. H. Lee,
Clerk, Privy Council.,
To the Commissioners,
Intercolonial Railway.

Copy of a Report of the Commissioners of the Intercolonial Railway to the Honorable the
Privy Council, of date 20th September, 1870.
The Commissioners for the construction of the Intercolonial Retilway having considered the Minute of Council with reference to the Tender of Messrs. Jackson, beg to report upon the rest of the Tenders for Section No. 20.

There are no sureties named in tender No. 5; and it is accordingiy ruled out.
In view of the peculiar and important character of the work to be performed, the Commissioners are not satisfied as to the skill, experience and resources of the parties to Tenders Nos. 7, 12 and 15.

The Commissioners being satistied with the skill, experience and resources of Messis. Brown, Brooks \& Ryan recommend that their Tender for Section No. 20, being for the sum of $\$ 642,854$, or at the rate of $\$ 107,142$ per mile, be accepted.
(Signel.)
A. Walsi,
Ed. B. Chandler,
C. J. Brydges,
Commissioners.

Copy of a Report of a Committee of the Honorable the Pricy Cocucitil, approved by. Mis Excellency the Governor General in Council on the $\mathfrak{D} 0$ th September, 1870.
The Committee have considered the further Report from the Commissioneas of the Intercolonial Railway, submitting, in compliance with the Minute in Council of this day's date, a Report upon the rest of the. Tenders for Section No. 20.

The Commissioners state that there are no sureties named in Tender No. .), and that it is accordingly ruled out.

That in view of the peculiar and important character of the work to be performed, hey are not satisfied as to the skill, experience and resources of the parties to 'Tenders Nos. 7, 12 and 15.
Fhhat being satisfied with the skill, experience and resources of Mossrs. Brown, Brooks \& Tyan, they recommend that their Tender for Section No, 20, being for the sum of $\$ 642,854$, or at the rate of $\$ 107,142$ per mile, be accepted.

The Committee in view of the "more than ordinary skill" which the Chief Engineer reports must be incurred by the contractor for the above-mentioned Section, and of the necessity of placing it in the hands of men " reliable, experienced and competent in every " way," qualifications which Messrs. Brown, Brooks \& Ryan are reported by the Commissioners to possess, and in view also of the opinion expressed by the Chief Engineer, that "the price should be sufficient to cover all risks, and likely to prove fairly remu" nerative, and should rather approach the maximum than the minimum estinate," they respectfully advise that the Tender of Messrs. Brown, Brooks \& Ryan be accepted, and that a contract be entered into with them accordingly.

Certified.
(Signed,) WN. H. Lee,
Clerk, Privy Council.

To the Commissioners,
Intercolonial Railway.
Copiy of a Report of the Commissioners of the Intercolonial Railway to the Monorable the Privy Council, of clate 24th October, 1870.
The Commissioners appointed to construct the Intercolonial Railway have now to report, to the Governor in Council, regarding tenders for Section No. 10 (the former contract for which has been ammulled) and for Sections Nos. 21,22 and 23 , all of which have been duly advertised.

Tenders were received up to $6 o^{\circ}$ clock p.m., on 5th October, 1870.
One hundred and thirty-nine tenders in all were received, as per list herewith.

## Section No. 10.

Estimatc.-Minimum, $\$ 398,546$; Maximum, $\$ 527,879$.
The lowest Tender for this Section is No. 61, Duncan Macdonald, Montreal, for the sum of $\$ 400,000$, or at the rate of $\$ 20,000$ per mile.

The Commissioners being satisfied with the skill, experience and resources of Mr. Macdenald, recommend that his tender for Section No. 10 be accepted, upon the terms named in the advertisement, viz., "sulbject to deduction of' a percentage sum equivalent " to the percentage of the whole work which tho Chief Engincer shall report to have boen " executed by the first contractors."

## Section No. 21.

Estimate.-Mininum, $\$ 460,000$; Maximum, $\$ 590,000$.
The lowest Tender for this Section is No. 133, Messio. (4. W. Charland \& Co., Quobec, for the sum of $\$ 441,271$, or $\$ 17,651$ per mile.

The Commissioners being satisfied with the skill, experience and resources of Messis. C. W. Charland \& Co., recommend that their tender for Section No. 21, for the sum of $\$ 441,271$, or at the rate of $\$ 17,651$ per mile, be accepted.

## Section No. 22.

Estimate.-Minimum, $\$ 328,000$; Maximum, 3430,000 .
The lowest Tenders for this Section are-
No. 8. Sutherland, Grant \& Co., Amherst, $\$ 323,877$ or $\$ 12,95 \pm$ per mile.
18. C. Cummings \& Co., Londonderry, 331,000 ,, 13,200 do

The Tender of Messrs. Sutherland, Grant \& Co., being the lowest for Section No. 23, and the Commissioners having decided to recommend the acceptance of the Tender of these parties for that Section, are not prepared to recommend the placing of more than one Section in the same hands.

The Commissioners being satisfied with the skill, expericuce and resources of Messrs. C. Cummings \& Co., recommend that their Tender for Section No. 22, for the sum of $\$ 331,000$, or at the rate of $\$ 13,200$ per mile, be accepted.

## Section No. 23 .

Estimate-Minimun, $\$ 270,000$; Maximum, $\$ 350,000$.
The lowest Tender is No. 60, that of Messrs. Sutherland, Grant \& Co., of Amherst, being for the sum of $\$ 276,750$, or at the rate of 12,300 per mile.

Tho Commissioners being satisfied with the skill, experience and resources of Messis. Sutherland, Grant \& Co., recommend that their Tender for Section No., 23, as abore, be accepted.
(Signed, A. Walsu,
Ed. B. Chandler,
C. J. Brydges,
A. W. McLelan, Commissioners.

## Copy of a Report of a C'onmittee of the Honorable the Privy Council, approved by His Excellency the Govemor General in. Council on the こ6th October, $1 \mathbf{8} \boldsymbol{\circ} 0$.

On the recommendation of the Honomable the Minister of Pullic Works, and for the reasons given in the Feport of the Intercolonial Railway Commissioners, dated 24 th October. 1870, the Committee advise that the following Tender for the construction of Sections of that Railway, Nos. 10, 21, 22 and 23 respectfully, be accepted, and that contracts, in con-
formity therewith, be given accordingly-that is to say, Section No. 10 to Mr. Duncun Macdonald, of Montreal, for the sum of $\$ 400,000$, or at the rate of $\$ 20,000$ per mile, "s subject to a deduction of a percentage sum equivalent to the percentage of the whole '"work, which the Chief Engineer shall report tohave been executed by the first contractors."

Section No. 21,-To Messis. G. W. Charland \& Co., for the sum of $\$ 441,271$, or at the rate of $\$ 17,651$ per mile.

Section No. 22,-To Messrs. Charles Cummings if Co., for the sum of $\$ 331,000$, or at the rate of $\$ 13,200$ per mile.

Section No. 23,-To Messrs. Sutheriand, Grant \& Co., for the sum of $\$ 276, \overline{7} 0$, or at the rate of $\$ 12,300$ per mile.

Certified
(Signed.) WM. H. Lee, 4 terk of Privy Counci?.
To the Commissioners,
Intercolonial Railway.

Copy of a Reporl of the Commissioners of the Intercolonial Railterty to the Governor in Counceil, of date 23sd November, 1870.
The undersigned begs to report to the Governor in Council, that on 26 th October last, inconformity with Order in Council of that date, Messrs. G.W.Charland \& Co.,of Quebec, were informed that contract for Section No. 21 had been awarded to them, and they were called upon to furnish namess and occupations of the parties composing the firm, and also of their sureties.

Up to this date Messris. Charland \& Co. have not furnished these particulars.
On the 10th November, as there had been so much delay, a telegram was forwarded to Messrs:' Charland \& Co., of which the following is a copy :--
"We must have your answer to-day."
On the 11th November a telegram was received from Messrs. Chariland \& Co., of which the following is a copy:-
"One of our sureties being absent from Quebec for a few days, will go up and sign " contract on his arrival."

But from that date nothing has been heard of or from the parties.
The undersigned considers, as every day is of great importance at this season, with reference to getting supplies from Quebec to Newcastle, and as from the delay in executing the necessary contract and bond, it appears Messrs. Charland \& Co. do not now intend to enter into the contract ; that the award of the contract for Section No. 21, made on 26 th October, should be cancelled, on the ground that the parties have neglected to comply with the usual formalities, and to sign the contract and bond. And Le also recommends that the contract for Section No. 21, may be awarded to Mr. P. Purcell, whose Tender $\$ 483,195$, or at the rate of $\$ 19,327$ per mile, was the next lowest to that of Messrs. Charland \& Co. The Commissioners, at their meeting on 21st October last, were satisfied with the skill, experience, and resources of Mr. Purcell.

## Section No. 22.

This Section, under Order in Council, of date 26th October last, was awarded to Messis. C. Cummings \& Co., Londonderry, Nova Scotia. In their Tender, Messrs. Cummings \& Co. offered as sureties, Messrs. F. M. Pearson, of Truro, and John Cummings, of Londonderry. Since date of the Tender, 29th September, 1870, Mr. Pearson has been elected Member of the House of Commons, for the County of Colchester, N. S., and he is in consequence ineligible as a surety. Messrs. Cummings \& Co. now propose to substitute Mr. John Wier, farmer and shipowner, Londonderry, in place of Mr. Pearson. Mr. Wier is reported to be a responsible man, and satisfactory, as a surety, in reference to this contract.

The und arsigned, therefore, recommeuds that the Commissioncis may be authorized, by Order in Council, to accept Messus. John Wier and John Cummings, as sirreties for CU. Cummings \& Co., contractors for Section No. 22.
(Signed,)

A. Walsh, Commissioncy:

Cop!, of a Report of a Committeo of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the Shth November, 1870.

The Committes have had under consideration the memorandum, dated 23 rd November, 1870 , from the Chairman of the Intercolonial Railway Commissioners, having reference to Sections Nos. 21 and 22 of that line, and on the recommendation of the Honorable the Minister of Public Works, and for the reasons given in the said memorandum, they humbly advise that the contract given to Messrs. G. W. Charland \& Co., of Quebec, for Section No. 21, be cancelled, and the same awarded to Mr. Peter Purcell, whose tender ( $\$ 483,195$, or at the rate of $\$ 19.327$ pei mile) was the next lowest to that of Messrs. Charland.

They further advise that the Commissioners be authorized to accept Mr. John Wier as surety under the contract for Section No. 22, awarded to Messrs. Charles Cummings \& Co., in the room of Mr. F. M. Pearson, whose election, as a Member of the House of Commons, has rendered him ineligible as such security.

Certified.
(Figned,) Wm. H. Lee, Clerk of Privy Council.
To the Commissioners,
Intercolonial Railway:

Copy of a Report of the Commissioners of the Intercolonial Railway, to the Honorable the Privy Cononcil, of date the 10th. Tanvary, 1871.

The Commissioners for the construction of the Intercolonial Railway, have to report to the Governor in Council, regarding tendeus for buildings at Moncton, which were duly advertised.

Fifteen Tenders in all were received, as per list innexed, of which the lower are :-
No. 12. Archibald McKay ......................................... $\$ 69,000$
2. Wm. Robertson ............................................ 75,000

1. Wm. J. Mills ...................................................... 83,000
2. Crosby \& McKean . ....................................... 88,923
'Ihe Commissioners are not satisfied with the skill, experience, and resources of the parties to Tenders Nos. 12, 2 and 1.

The Commissioners being satisfied with the skill, experience, and resources of Messms. H. B. Crosby\& J. T. C. McKean, recommend that their Tender, No. 11, being for the sum of $\$ 83,923$, be be accepted.
A. Walsh, Ed. B. Chandler, C. J. Bridges,
A. W. McLelan, Commissioners:

Copy of List of Tenders for Moneton Buildings. Architect's Estimate, $\$ 98,000.00$ and $\$ 2,100.00$; total $\$ 100,100.00$.

| No. | Names. | Residence. | Amount. |
| :---: | :---: | :---: | :---: |
|  | , |  | \$ cts. |
|  | Wm. J. Mills. | Anagance | 83,00000 |
| 2 | Wm. Robertson. | Moncton | 75,000 00 |
| 3 | Joseph B. Moore. | Montreal. | 140,894 92 9200 |
| 4 | Eiliott \& Melville. | Brantford .... |  |
| 5 | Ralph Jones \& Co........ | Port Hope | 89,00000 |
| 6 7 | J. Quinton \& C. F. Tilley | St. John | 92,442 <br> 97850 <br> 00 |
| 8 | T. C. Gallagher \& J. Prince | Moncton | 203,800 00 |
| 9 | J. Ferguson \& S. McKean . | Galt and Moncton | 93,386 00 |
| 10 | Sutherland, Grant \& Co. | Moncton ........ | 98,600 00. |
| 11 | H. B. Crosby \& J. T. C. M |  | 83,923 00 |
| 12 | Archibald McKay ......... | Moncton | 69,000 00 |
| 13 | John Steacey ..... | Brockville | 95,900 00 |
| 14 | R. Winoryes. | Montreal do | 134,734 136,294 |
| 15 |  |  | 136,294.00 |

Copy of a Report of a Committee of the Honorable the Privy Council; approved by His Excellency the Governor General in Council on the - January, 1871.
The Committee have had before them the Report, dated 10th January, 1871, from the Commissioners for the construction of the Intercolonial Railway, submitting a list of tenders received for the construction of buildings at Moncton, and on the recommendation of the Honorable the Minister of Public Works, and for the reasons given in the said Report, they recommend that the tender of Messrs. H. B. Crosby \& J. T. C. McKean, being for the sum of $\$ 83,923$, be accepted.

Certified.
(Signed,)

Wm. H. Lee, Clerk of Privy Oouncil.

## Copy of a Report of the Commissioners of the Intercolonial Railway to the Honorable the Privy Council, of date 12th January, 1871.

The Commissioners appointed to construct the Intercolonial Railway, have to report to the Governor in Council, regarding Tenders for ties, which were duly advertised.

One hundred and twenty Tenders in all were received, as per list hereto annexed.
The Commissioners having reference to all the particulars of each Tender, recommend that the following be accepted:-

Section No 1, Tender No 2, A. G. Coté,....50,000 Ties at $\$ 32$ per hundred


Sections Nos. 3 and 6, Tender No. 108, Thomas Paradis. 109,000 Ties, at $\$ 50$ per hundred for Tamarack, $\$ 48$ for Hemlock, $\$ 25$ for Black Spruce, $\$ 24$ for Cedar.

Section No 9, Tender No 110, John E. O'Brien, for 50,000 Ties, at $\$ 33$ per hundred.
Section No. 15, Tender No. 107, Felix St. Coerr, for 40,000 Ties, at $\$ 30$ per hundred,


Copy of a Report of the Commissioners of the Intercolonial Railway to the Governor in Council, of date 16th January, 1871.
The Commissioners for the construction of the Intercolonial Railway beg to report to the Governor General in Council, that having had their report of the 12th inst, referred back to them for further consideration, recommend that the Tenders for Ties in Quebec and Nova Scotia, be accepted as already recommended, but that those for New Bruuswick being so high, be not accepted, but be advertised for again hereafter.
(Signed,)
A. Walsh,

Ed. B. Chandler,
C. J. Brydaes,
a. W. McLelan, Commissioners.

## Copy of a Report of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 17th January, 1871.

The Committee have had under consideration the Memorandum, dated 12th January, 1871, from the Intercolonial Railway Commissioners, submitting a Schedule of Tenders for the supply of Ties for certain Sections of that line; also, a subsequent Report from the Commissioners, of the 16th inst. on the same subject, and on the recommendation of the Hon. the Minister of Public Works, the Committee advise that the Tenders mentioned in the said Menorandum for Ties in Quebec and Nova Scotia, be accepted at the rates therein specified respectively, but that those for New Brunswick, being too high, be not accepted, but as suggested by the Commissioners in their second Report, be advertised for again hereafter.

Certified.
(Signed,) . W. H. Lee;
Clerk, Privy Council.

## CopJ of a Report of the Gommissioners of the Intercolonial Railway to the Honorable the Privy Council, of date 16th January, 1871.

The Commissioners for the construction of the Intercolonial Railway beg to report to the Governor in Council, upon the subject of the description of Rails to be used.

A Report which has been received from the Chief Engineer is appended hereto, strongly recommending the adoption of steal rails, and the Commissioners fully concurring in the opinions expressed by Mr. Fleming, recommend that Béssemer steel rails be laid upon the Intercolonial Railway.
(Signed,) A. Walsh,
Ed. B. Chandler,
C. J. Brydaes,
A. W McLelan, Commissioners.

## Intercolonial Railway, <br> Office of the Chief Engineer, Ottawa, January 16th, 1871.

Sir.-You inform me that the Government have now before them the tenders for the supply of Rails for the Intercolonial Railway, and you desire my views in brief for the information of the Government respecting the comparative merits of steel and iron rails.

In Railway construction it is highly important to secure, at the least cost, every portion of the work of the most durable materials, and as permanent in charaeter as possible; the great object being to insure public safety and to render unnecessary periodical expenditures, at short intervals, on reconstruction and renewals, and to lessen operating expenses.

The rail-track is a portion of the Railway exposed to great wear and tear, and to maintain it in a good serviceable condition, under heavy traffic, is a source of continual expense.

Experience has shown that ordinary iron rails are soon destroyed under a heavy traffic, and of late years, rails made by the Bessemer and Siemen process, under the name of Bessemer and Siemen's steel rails, have been introduced in order to secure greater durability.

Rails made by these new processes are superior to iron, not so much because they are made of better material as that they are rolled from solid ingots, and, in consequence, are perfectly homogeneous, while rails made by the old process of built piles are made up of ? number of pieces, more or less perfectly united, the union of the parts depending very much on the capacity of the iron of each part for welding.

Iron-rails made by the old process, exposed to a heavy traffic, are found after a time to be frequently destroyed by lamination, the adhesion between imperfectly welded parts being gradually destroyed by the rolling of the wheels over them. Homogeneous rails, on the other hand, do not laminate, they slowly wear away in a uniform manner.

I append a copy of a letter recently received, explaining very clearly the difference between steel and iron rails ; the letter was written by an English Engineer, Mr. James Livesey, to a gentleman in South America connected with Railways there. It explains the difference in the modeof manufacturing steel and iron rails, so clearly, that although I do not wholly concur with Mr. Livesey in some of his statements, I respectfully beg to refer to his letter.

When first steel rails were manufactured, a difficulty was experienced in producing them uniformly of one character, some bars were found to be too hard and brittle, while othersagain too soft; this difficulty, however, if it is not entirely overcome, does not now exist to the same extent as formerly.

In an Engineering point of view there can be no doubt whatever as to the great. stuperiority of steel over iron rails, and their adoption in any particular case is reduced to a question of economy.

Considering it as a question of economy, it resolves itself into a question of cost and durability of the rails. The first, or cost, isestablished by the present market priceof the rails, or the proposals which have been received for furnishing them, the second or durability, is not so easily arrived at.

The durability of a rail depends upon its quality and the wear and tear to which it is exposed, the wear and tear again is governed mainly by the traffic.

A steel rail will stand the same wear and tear much longer than an iron rail for the reasons already given, but how much longer is not yet well understood; some have estimated the life of a steel rail at double that of iron, others again at as much as ten times; the latter, I am inclined to think, would be unsafe to base calculations on. Very hard steel rails will not do for this severe climate on account of their liability to break in winter, but they can be made of almost any degree of hardness during their manufacture; in fact, they can be made with so little carbon in their composition as to be considered as much iron as steel rails, but the homogeneous character derived from the Bessemer or Siemen process of manufacture gives them qualities not possessed by ordinary iron rails. Apart from the question of liability to breal, hard steel rails will wear very much longer than soft steel rails, but as the former are unsuitable for this climate, we must, in making estimates of durability consider the employment of the latter only.

In my reference to iron rails in the foregoing, I must be understood to mean ordinary iron rails, such as those usually made for the American market. A better sort of rail can be secured from manufacturers who attach great importance to the reputation of their establishments for turning out a good article; these rails arehowever more expensive to make, and a higher price must be paid for them than for common rails; such rails have their tops made out of a single hammered slab of good durable iron, partly from hematite ore, the lower part of the rail is built in the pile, of a number of tough, fibrous iron bars. By this arrangement of the parts which form the rail, the wearing surface is sound and solid, and the chances of early destruction by lamination and disiategration are very much diminished. This kind of rail may, for convenience, be designated the best iron rail, the other the common iron rail.

The best iron rail would probably last from one and a half times to twice as long as the common iron rail, and a steel rail, sufficiently soft for safe adoption in this climate, perhaps about three times.

I have made calculations with the view of showing what annuity or annual premium would be required to furnish rails for various traffics. The traffic in each case being represented by the life of the iron rail. The calculations are based on the following prices, viz:-

Common Iron Rails,............................................................ 5s 0d Sterling.
Best Tron Rails,......................................................... 7. 100 ,
Steel Rails,...................................................................... 11 5........ 0 "
The same weight of rail, 90 tons per mile, is taken in each case, and credit is given for the probable value of old rails after they are worn out.

## Table No. 1.

| Traffic wears out common Iron Rails in: | Annutitiss. |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | Common Iron <br> Rails, 90 tons per mile. | Best Iron Rails. |  | Steel Rails. |  |
|  |  | Lasting $1 \frac{1}{2}$ times as long as common Iron Rails. | Lasting twice as long as common Iron Rails. | Lasting 3 times as long as common Iron Rails | Lasting 4 time as long as common Iron Rails. |
| 2 years.... | ${ }_{721}$ | $\stackrel{\text { § }}{\$ 26}$ | $\$_{576}$ | $\begin{aligned} & \$ \\ & 759 \end{aligned}$ | $\underset{603}{\$}$ |
| 5 , ........ | -358 | 366 | 304 | 412 | 357 |
| 10 , | 232 | 250 | 222 | 305 | 281 |
| 15 " | 196 | 219 | 195 | 274 | 262 |
| 20 " | 176 | 195 | 183 | 262 | 256 |

The above Table shows the annual provision required in each case simply for purchasing the rails in England; the cost of transpertation and laying the rails should be considered, for, although these are common to both, the charges are relatively less on the most durable rail.

Table No. 2 allows for these charges, and the iron rail is estimated at about 16 per cent. heavier than the steel rail. The calculations are also based on the old steel rails being worth considerably more than the old iron rails. In both cases, compound interest at 5 per.cent. per annum is reckoned.

## Table No. 2.

| Traffic wears aut common Iron Rails in : | Annuities. |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | Common IronRails, 104 tonsper mile. | Best Iron Rails, 104 tons_per mile. |  | Steal Rail, 90 tons per mile. |  |
|  |  | Lasting $1 \frac{1}{2}$ times as long as common Iron Rails. | Lasting twice as long as common Iron Rails. | Lasting 3 timos as long as common Tron Rails. | Lasting 4 times as long as common Iron Rails. |
| 2 years......... | 1,637 | . 1,377 | $\stackrel{\$}{1,078}$ | \$17 | $\stackrel{\$}{744}^{3}$ |
| 5 | 755 |  | 535 | 505 | 439 |
| 10 " | 456 | 427 | 371 | 377 | 349 |
| 15 ".. | 367 | 363 | 818 | 340 | 326 |
| 20 " | 321 | 318 | 294 | 326 | 319 |

The last Table, No. 2, particularly will show the economy of steel rails under heavy traffic, for light traffic the economy is not so marked.

I have already mentioned that in both Tables, Nos. 1 and 2 , interest is calculated at the rate of 5 per cent. per annum, a higher rate would of course show different and less favorable results for the expensive rails; but, on the other hand, at a lower rate of
interest, say that at which money is obtained'for the Intercolonial Railway, viz., 4 per cent., the economy of using the best description of rails (although costing more in the first place) becomes more apparent.

In Table No. 3, the interest is calculated at 4 per cent. per annum, and if we take a medium light traffic, that-which would wear out common iron rails in, say, ten years, the annual charges would be as follows :-

> Annuity;

| 1st common i |  |  |  | \$427 |
| :---: | :---: | :---: | :---: | :---: |
| 2nd best | " | 15 | " | 387 |
| 3rd best \#; | " | 20 | " | 329 |
| 4th steel rails | " | 30 | " | 325 |
| 5th do |  | 40 |  | 295 |

Table No. 3.
Interest at 4 per cent.

| Traffic wears out common Iron Rails in : | Annutities. |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | Common Iron <br> Rails, 104 tons <br> per mile. | Best Iron Rails, 104 tons per mile. |  | Steel Rails, 90 tons per mile. |  |
|  |  | Lasting $1 \frac{1}{2}$ times aslong as common Iron Rail. | Lasting twice as long as common Iron Rails. | Lasting 3 times as long as common Iron Rails. | Lasting 4 times as long as common Iron Rails. |
| 2 years......... | $\stackrel{8}{1,600}$ | $\underset{1,334}{\$}$ | $\stackrel{\$}{1,037}$ | $\stackrel{8}{8} 1_{8}$ | ${ }_{697}$ |
| 5 , | 719 | 621 | 503 | 456 | 389 |
| 10 ,........ | 427 | 387 | 329 | 325 | 295 |
| 15 , ......... | 331 | 314 | 274 | 286 | 269 |
| 20 " | 284 | 274 | 249 | 269 | 259 |

Taking everything into consideration, my independent opinion is in favor of steel rails; my desire, as is well known, has been from the outset that the permanent way, the structures, and all important works on the Intercolonial Railway, should be as indestructible as possible, and I am perfectly satisfied it would be true economy to make them so.

In cennection with this subject, I might add, that the character of the fastenings to be adopted in laying the rails is of considerable importance, and on this depends to some extent the permanency of the track and the cost of maintaining it. The scabbard-joints, recently tested in this place before members of the Government and the Chairman of the Railway Commissioners, are much better adapted for steel rails than any other, as no drilling or punching for bolts, so injurious to steel, is needed; they have been thoroughly tried by experiments and by experience ; they are now being gradually introduced in the. leading Railways in England ; they are now being extensively used in India and other countries. I believe them to be the best description of joint for steel rails in use, and I would strongly recommend their adoption for the whole of the Intercolonial Railway.

I have the honor to be, Sir,
Your obedient servant,
(Signed,) Sandford Fleming,
C. S. Ross, Esq.

Chief Engineer.
Secretary,
Intercolonial Commissioners, Ottawa,

Copy of a Report of the Commissioners of the Intercolonial Railway to the Governor in Council, of date 13th January, 1871.
The Commissioners appointed to construct the Intercolonial Railway, beg to report to the Governor in Council, upon the Tenders for steel rails, which they were directed to advertise for.

Seventeen Tenders in all were received, of which a list is annexed.
The Commissioners find that the lowest tenders are :-

$$
\begin{aligned}
& \text { No. 15, Ebba Vale Co., at ................ £ £11 '0s. 0d. stg. per ton. } \\
& \text { 4, Barrow Co., at ................... £11 5s. 0d. " " }
\end{aligned}
$$

And they recommend that those Tenders be accepted for 10,000 tons, and 30,000 tons respectively.

The parties to both Tenders having offered to deliver the rails at the points required, at $£ 12$ 1s. Od. and $£ 12$ 2s. Od. respectively; the Commissioners recommend that they be authorized to arrange, if they consider it desirable for delivery, at rates not exceeding those named.
(Signed, ) A. Walsh,
Ed. B. Chandler,
C. J.Brydges,
A. W. McLelan,

Commissioners.
List of Tenders for Rails，Fish－Plates，Bolts and Nuts，11th January， 1871.

|  | శ 000000000000000 <br>  <br>  | $\begin{aligned} & 00 \\ & 200 \\ & \text { Non } \end{aligned}$ |  |
| :---: | :---: | :---: | :---: |
|  | Ti 000000000000000 <br>  <br>  | 00 200 004 |  |
|  |  | $\begin{aligned} & 00 \\ & \stackrel{20}{2} 0 \\ & N \infty \end{aligned}$ |  |
|  |  | $\begin{aligned} & 00 \\ & 200 \\ & \operatorname{Ni} \end{aligned}$ | 8 8 8 4 |
|  |  |  | $\infty$ 范 <br> － <br> 领 <br>  |
| －рәләл！тәр әләчМ |  |  |  |
| $\begin{gathered} \text { Tons of } \\ \text { fish-plates, \&c. } \end{gathered}$ |  |  |  |
| －stibx $\boldsymbol{\lambda e q 7 0}$ <br> pue［əəұs jo suod |  | 808 8융 |  |
|  |  |  |  |
| 离 最 品。 |  |  |  |
| \％ |  | 아앆 | $\infty$ |

Note．－Tender No． 2 is superseded by No． 9.

## Copy of a Report of the Commizsioners of the Intercolonial Railway to the Honorable the Privy Council, of date 16th January, 1871.

The Commissioners for the construction of the Intercolonial Railway, heg to report to the Governor in Council, upon the question of the superstructure of the bridges on the line.

A Report from the Chief Engineer is appended, from which it appears that the larger bridges can be constructed of iron, at a cost which will not greatly exceed that for wood, taking into account the reduction, which in some cases may be made in the masonry.

Considering that steel rails are to be laid upon the whole line, and that it is desirable that all the works should, as far as possible, be of the most permanent character, the Commissioners recommend that all spans of bridges, of more than 60 feet openings, should be constructed of iron, provided that such change will. not delay the completion of the works, and that such arrangements can be made with the several contractors as will not materially enhance the cost.
(Signed,)
A. Walsh,

Ed. B. Chandler,
C. J. Brydaes,
a. W. McLelan,

Commissioners.

## Intercolonial Rallway, <br> Chief Engineer's Office, <br> Ottawa, May 23rd, 1870.

## C. S. Ross, Esq., Secretary.

Sir,--The following statement is preparod with the view of showing, in tabular form, a complete list of all the Bridges required to be constructed on the line of the Intercolonial Railway. It gives the number and names of the bridges, as well as the localities where they are to be built, together with the number and length of spans at present considered most suitable in each case.

List of Bridges, and tee comparatite cost of Wooden or Iron Spang.


List of Bridges, \&c.-Continued.


Total mumber of sixtysisix Bridgas, embracing the following spans, viz :-

|  | 16 spans | 200 | feet each. |  |  | ans | 5 | 0 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 6 | 60 | 100 | " |  | 15 | , |  | 0 |  |  |
|  | 10 | 80 | " |  | 5 | " |  | 0 |  |  |
|  | 19 | 60 | " |  | 2 |  |  | 4 |  |  |

With regard to the probable cost of these bridges with iron or wooden spans, I may mention, that in my letter to Sir John Macdonald, dated January 27 th, 1869, when I ventured to offer some observations on the comparative merits of structures made of perishable and imporishable materials, I stated that bridges of iron might be taken to cost about double as much as bridges of wood, and even with this difference in favor of wood in the first cost, I satifactorily established the economy of asing iron instead of the more perishable material ; while, in advocating bridges of iron on principles of economy, it was proper that I should not overstate their advantages, and I therefore selected such cases as placed them in the least favorable light, it being clear to me, that if I showed the economy of adopting them in the least favorable cases it would be undisputed in all others:

Iron girders will cost about twioe as much as wooden trysses in large spans only ; in the great majority of eases there is much less difference between them, and the ratio between the first cost of wood and iron bridges changes with the length of spans, the difference diminishing as the spans shorten, until with very short spans there is really no .very great difference. Out of the whole number of bridges to be built on the Intercolonial Railway, embracing 145 spans in all, ranging from 24 feet up to 200 feet, there are not more than three bridges, consisting in all of 16 spans of 200 feet each; where the cost of superstructure of iron would be double that of wood. These bridges are the Restigouche and the two Miramichi hridges. It should be observed, too, that the difference in cost is not even in these cases so much as it appears, as it is only in the spans ; the approaches, abutments, piers and costly foundation works, being common in both systems.

The Commissioners are avrare that in a great many cases an iron bridge requires less masonry than a wocden bridge. I have had occasion to explain this to you in my letters bearing date July 2nd, 1869, January 26th and January 29th, 1870, with enclosures, from which it would appear that as much as 1,000 cubic yards of masonry would be saved in one bridge alone (the Trois Pistoles) by making the spans of iron instead of wood.

It appears from calculations which I have recently had made with as much care as possible, that the adoption of iron instead of wooden bridges would effect a saving in masonry on the line between Truro and Rivière du Loup, of not less than 11,432 cubic yards.

This is a point of considerable importance, for although there may be less outlay on wooden spans than on iron spans, the additional cost of other works which go to form the bridge structure, really make (excepting the three cases referred to) the aggregate first cost of the bridges with wooden spans, not much less than if they were finished with iron spans in the first place.

In proof of this, I shall now submit approximate estimates of the aggregate cost of all the bridges on the line, excepting only the three specially mentioned, with sixteen spans of 200 feet each, viz :- the Bridge over the Restigonche and the two over the Miramichi,as the Commissioners and the Government have now finally decided that all these large span-bridges shall be made of iron, they are excluded from the comparative estimates which follow:-

## Estimate with Spans of Wood.



[^0]

In explanation of the above estimates, I may state that the quantities of masonry have been taken, wherever it could be done, from the printed schedules, and the whole has been calculated from the lithographed plans, publiohed for the information of intending contractors. The Iron Girders have been computed at fair prices,' and for the other items a mean has been taken of the prices given in all the tenders, which I have as yet had access to, viz :-the Tenders first sent in for Sections Nos. 1 to 12 inclusive.

From these estimates it would appear, that the first outlay on the bridges, if made of iron, would not greatly exceed their cost, if made of wood, when the large reduction in masonry, and everything is taken into account.

Of course it must be allowed that a change in the rates will effect the total amounts in these estimates one way or another, but no change can be made, within reason, that would materially affect the comparison. From this comparison, and what has already been advanced, it is clear, that on every principle of economy, the Bridges on the whole length of the Intercolonial Railway should be made of iron. I would therefore most strongly recommend that every bridge on the line be made of iron instead of wood, and that steps be immediately taken to enter into arrangements for their construction with respectable bridge huilders.

A final decision should be made on this question at once, as one or two of the contrantors are pressing for plans of the masonry of bridges, and a loss will result if any change is made after the work is commenced.

I shall be prepared to furnish general specifications of iron girders, and all information required by bridge builders in making their proposals, whenever the Commissioners request.

Sanford Fleming; Chief Engineer.

Copy of a Report of a Committee of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 19th January, 1871.
The Committee of Council, after carefully considering the Reports of the Intercolonial Railway Commissioners and Chief Engineer of that railway, showing the economy of

[^1]adopting steel rails notwithstanding. the greater cost in the first instance, and having considered the Report of the Commissioners of the 13 th January, instant, recommending the acceptance of the tenders of
\[

$$
\begin{aligned}
& \text { The Ebba Vale Co., at £11 } \\
& \begin{array}{llll}
\text { 0s. } & \text { Od. sterling per ton. } \\
\text { The Barrow Co.......... } 11 & \text { Es. Od. }
\end{array}
\end{aligned}
$$
\]

they respectfully recommend the adoption of that Report, leaving to the Commissioners to make, if practicable, a better arrangement with respect to freight.

The Committee having thus, for the reasons given in the several Reports referred to, come to the conclusion to recommend the use of steel rails for the Intercolonial Railway, further advise that, with a view to render all the more important works and structures connected with the roadway as indestructible as possible, the Commissioners be authorised to build iron bridges instead of wooden bridges, in cases where the span is over 60 feet, whenever-

1st. The contractor's assent, and the change can be made without increase of cost or payment of indemnity.

2nd. Where there is no material delay caused by the change.
3rd. Whenever the additional cost of the bridge will not exceed the estimate of the Chief Engineer, already submitted to Council.

They further advise the iron bridges be put up to public tender.
Certified.
(Signed, ${ }^{\text {( }}$ м. H. Lee,
Clerk, Privy Council.

Copy of a Report of the Commissioners of the Intercolonial Railway to the Honorable the Privy Council, of date 16th January, 1871.

The Commissioners appointed for the construction of the Intercolonial Railway, having had undor their consideration a steel scabbard-fastening for rail joints, and having received two tenders for the supply of such fastenings, viz., Tbbotson, the Patentee, England, and the Starr Manufacturing Company; Halifax, N. S., beg to recommend, with a viow of thoroughly testing the merits of the proposed fastenings, that a contract be given to the Starr Manufacturing Company, whose tender is the lowest, for the supply of such fastenings as may be required on that portion of the railway betweon Truo and Amherst.

A. Walsir,<br>Ed. B. Ceandier,<br>C. J. Brydqes,<br>A. W. McLelan, Commissioners.

Copy of a Report of a Committse of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 17th January, 1871.

On a Report, dated 16th January, 1871, from the Commissioners appointed for the construction of the Intercolonial Railway, stating that having had under their consideration a steel scabbard-fastening for rail joints, and having received two tenders for the supply of such fastenings, viz, Ibbottson, the Patentee, England, and the Starr Manufacturing Company, Halifax, N.S., they recommend, with a view to thoroughly testing the merits of the proposed fastening, that a contract be given to the Starr Mamfacturing

Company, whose tendor is the lowest, for the supply of such fastenings as may be roquired on that portion of the railway between Truio and Amherst.

On the recommendation of the Honorable the Minister of Public Works, the Committee advise that a contract be given to the Starr Manufacturing Company accordingly. . Certified.

$$
\begin{gathered}
\text { (Signed,) Wim. H. Lee, } \\
\text { Clerk, Privy Council. } \\
\text { (No. 4.) } \\
\text { Line between Bathurst and Miramichi River. } \\
\text { Copy of Letter from Chief Engineer. } \\
\therefore \quad \text { Ottawa, February 20th, } 1871 .
\end{gathered}
$$

Sir,-In reply to your letter of the 18th, informing me that the House of Commons has ordered certain returns to be made, I beg to say that I do not think any special reports have been made by me on the route of the railway between Bathurst and the River Miramichi. On or about the 2nd of May, 1868, I received verbal instructions from the Minister of Public Works and other members of the Govornment, to examine various points suitable for crossing the' River Miramichi, with the view of discovering the best, on the most direct line between Bathurst and the junction, of the so-called Eastern Extension Railway with the Eastern and North American Railway near Moncton. .

I immediately took the necessary steps to examine the River, and institute surveys of the approaches thereto. A great many trial lines were surveyed and alterations made from time to time, in order to find the most eligible crossiog-point and line for the railway. On the appointment of the Commissioners, the work done up to that period was in the main confirmed by them, and instructions given to continue it. The result is the line as it is now located and under contract. It is believed to be much shorter than the line projected by Majer Robinson between Bathurst and Moncton, and in some rospects better. With regard to the number of men employed on each contract section on the 1st day of July, 1870, the following is from the "Progress Reports" in my office, and may be considered approximately correct as far as it goes.
(Signed, Samdford Fleaing.
(NO. 5.)
Force Empioyed on Contract Sections, as far as known, on the 1st July, 1870.

| Division Letter. | $\xrightarrow[\text { Section: }]{\text { No. }}$ | Mechanics and Foremen. | Laborers. | Boys. | Quarry | Horses. | Oxen. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| A | $1 *$ | 76 | 232 | 13 | $40^{\prime}$ | 41 |  |
| B | 2 | 107 | 487 |  |  | 92 |  |
| - $\mathbf{C}$ | 5 | ............. |  |  |  |  |  |
| D | 8 | 59 | 425 | 53 |  | 151 |  |
| E | 13 | 38 | 606 | 200 |  | 180 |  |
| T | . 14 | 18 | 218 | 9 |  | 10 |  |
| G | 17 | . |  |  |  |  |  |
| H | 18 | . |  |  |  |  |  |
| I , | 19 | . |  |  |  | - |  |
| K | 3 | 24 | 264 | 31 |  | 52 |  |
| L | 6 | 36 | 487. | 14. |  | 50 |  |
| M | 9 | 10 | 217 |  |  | 16 |  |
| N | 15 | . ........ |  |  |  | ............ |  |
| 0 | 16 | . | . |  |  | ............. |  |
| $\mathbf{P}$ | 10 | 24 | 128 | 5 |  | , 21 |  |
| Q | 20 |  |  |  |  | ........... |  |
| R | 21 |  |  |  |  | ............ |  |
| S | 22 |  | . | - | ............ |  |  |
| T | 23 - |  |  |  |  |  |  |
| - $\mathbf{U}$ |  |  |  |  | . |  |  |
| V |  |  |  |  |  | -........... |  |
| W | 11 | 11 | 122 | $\therefore 7$ | 6 | 20 |  |
| X | 4 | 75 | 295 | 64 | : 76 | 110 |  |
| $\overline{\mathbf{X}}$ | 7. | 32 | 232 | 10 | 33 | 72 |  |
| Z | 12 | 93 | 776 | 93 | 11 | - 244 | 1 |

Return of Engineers and Engineers' Assistants, Paymasters, and other Employés, in each District (of Intercolonial Railway) and Section, on the 1st day of July, 1870.


Paymasters and Assistants, Ist July, 1870.

(No. 7.)
List of Engineers and other Staff employed on Sections of the Intercolonial Railway, as per Pay Rolls for January, 1871. (Those for February not yet received, but the Staff has not been increased.)

(No. 7.)
List of Engineers, \&c.-Continued.

(No. 7.)
List of Engineers, \&c.-Continued.


Note as an Appendix to List of Staff and Employés.
In addition to the persons employed äs per the preceding pages, there were sundry persons in the capacity of axemen, cooks and laborers. The engineer of each section decided how many, if any, were required, and the paymaster had to see they were only paid did the customary rate of wages in the locality. This, generally, was about $\$ 26$ por month.

In order to complete that part of the line between the Missisquash and Amherst, Mr. Schrieber, the engineer in charge of Section No. 11, and of the Amherst Station buildings, was directed to hire men to do the track-laying and ballasting, and other work about the Station at Amherst. It is not supposed that it is necessary, or desired by the mover of the Return, that the names of each of these labourers should be given. They weere engaged for periods varying from one day to a month, and at ordinary rates of wages. The expenditure having been paid in January and February, will appear in the accounts of 1871, "Ballasting and Tracklaying" and "Amherst Station,"respectively.

The staff on nine of the sections is still being "supplied," and this must continue until 31st May, when it is intended all shall supply themselves. This will increase the salaries from $\$ 120,070$ to $\$ 126,440$ for the staff as now existing, but the " supplies" will then cease. As a great part of the supplies for the winter had to be laid in before close of navigation, the expenditure for supplies last half-year was apparently great. The excess really was the value of stook of supplies on hand at 31st December last for winter use.
(No. 8.)]
Lisr of Engineers, Assistants, Rodmen, and Chainmen, whose services were dispensed with as at 31st December, 1870.


The following employés resigned during the year 1870.

| Section. | Name. | Rank. | Remarks. |
| :---: | :---: | :---: | :---: |
| No. $2 .$. | W. H. E. Napier | Engineer . ..... |  |
| " 2.. | T. Reynolds, 'jr.. | Assistant Engiveer |  |
| " 1.. | G. C. Carman.. | do |  |
| , $13\{$ | C. ${ }_{\text {C. }}^{\text {F. Symmes.. }}$ | do do | - . ${ }^{\text {. }}$ |
| " 13 | W. F. Biggar .. | Engineer .. |  |
| , 12.. | C. H. McLeod. | Rodman... |  |
| \#, 1 . | T. M. Hamel . | Chainman |  |

(No. 9.)
Statement showing amounts charged to "Engineering and Surveying Account," to 31st December, 1870.


Copy of a Report of the Honorable the Privy Council, approved by His Excellency the Governor General in Council on the 23rd October, 1869.

On the recommendation of the Honorable the acting Minister of Public Works, and for the reasons given in the Report of the Intercolonial Railway Commissioners, the Committee advise that the following tenders for the construction of Sections of that Railway, Nos. 8 and 10, respectively be accepted, and that contracts in conformity therewith be given accordingly-that is to say :-

Section No. 8,-To Duncan Macdonald; of Montreal, for the sum of one hundred thousand dollars $(\$ 100,000)$ or at the rate of $\$ 4,878$ per mile.

Section No. 10,-To Messrs. Andrew Elliott \& Co.; of Petrolia, for the sum of three hundred and eight thousand three hundred and ninety-five dollars. (\$308,395) or at the rate of $\$ 15,419$ per mile.

> Certified.
(Signed, Wm.H. Lee, Clerk of Privy Council.
To the Railway Commissioners, \&c., \&c.

C'opy of Report of the Commissioners of the Intercolonial Railway, to the Honorable the Privy Council, of date 21st October, 1869.

The Commissioners for construction of the Intercolonial Railway have now to report to the Governor in Council, with reference to the tenders for Sections Nos. 8 and 12, which were duly advertised.

Tenders were received up to 7 o'clock p.m., on Monday, 18th October, 1869.
Two hundred and seventeen tenders in oll were received, as per list herewith enclosed.

## Section No. 8.

The lowest tender for Section No. 8, is that cf Mr. Duncan Macdonald, of Montreal, being for the sum of $\$ 100,000$, or at the rate of $\$ 4,878$ per mile, and the Commissioners being satisfied as to his skill, experience, and resources, recommend that his tender for Section No. 8, be accepted.

## Section No. 10.

The lowest tender for Section No. 10, is that of Messrs. Andrew Elliott \& Co., of Petrolia, for the sum of $\$ 308,395$, or at the rate of $\$ 15,419$ per mile, and the Commissioners being satisfied as to the skill, experience, and resources of Messrs. Elliott \& Co., recommend that their tender for Section No. 10, be accepted.

## Sections Nos. 9, 11 and 12.

The Commissioners are not get prepared to report upon Sections Nos. 9, 11 and 12.

| (Signed,) | A. Walsh, |
| :--- | :--- |
|  | Ed. B. Chandler, |
|  | C.J. Brydaes, |
|  | A. W. McLelan, |
|  |  |

The undersigned, one of the valuators appointed by the Intercolonial Railway Commissioners to value the lands required for the use of the railway in New Brunswick, begs to report, that he has carefully inspected the several undermentioned parcels of land, being those shown upon a map or plan of lands required for station grounds, machine shops, \&c., at Moncton, submitted for his guidance by the District - Engineer, and recommends that the sums set opposite to the respective parcels of land in the accompanying Schedule be paid to the respective owners of such lands, as a fair and full equivalent for the land so taken.

The said valuator has also to report, that in fixing such value, he has taken into consideration the increased value given to such land by reason of the passage of the railway through the lots from which the same are taken, as directed by Section No. 15, of the Intercolonial Railway Act.

Campbellton, 8th March, 1870.

## Lot No. 5.--William Duncan.

This is part of a farm of upwards of two hundred acres, of which a considerable proportion is marsh and upland, and in a high state of cultivation.

The remainder is in a wilderness condition. The consideration money for the land, as expressed in the deeds, is $\$ 27,000$, and the purchaser is said. to have expended a.large sum of money in improving the property.

The present owner-son of the purchaser-asks $\$ 300$ an acre for the portion appropriated to railway purposes.

Allowing the wild land to have been of comparatively little value, the original cost of the improved part, not counting the buildings which were on the land at the time of the purchase, would be about $\$ 150$ per acre-supposing the price stated in the deeds to have been the true consideration.

There are two good barns and a manure-shed substantially built, and much better finished than the ordinary country barns, on the land required for the railway. One $34 \mathrm{ft} .9 \mathrm{in} .+65 \mathrm{ft}$. 9 in ., and the other $27 \mathrm{ft} .+59 \mathrm{ft}$. 3 in ., for which Mr. Duncan asks $\$ 1,300$, and $\$ 1,100$ respectively.

Also, a wooden dwelling-house on the south-west corner, $21 \mathrm{ft} .+33 \mathrm{ft}$., one and a half storys; shingled on the outside, plain finished on the inside.

It has a foundation wall of stone, but no cellar-the owner asks $\$ 1,200$ for it.
Mr. Duncan also claims damages for injuries done by separating his dwelling-housea brick building-barns and other buildings from the northerly part of his farm, to which he says he will be obliged to remove in consequence.

Now, counting his residence, which he thinks he may be able to rent, he estimates his damige, exclusively of the value of the land, as follows :-

> Two barns $\$ 2,40000$
> Dwalling-house, 23ft. + 22ft........................................ 1,200 00
> Damage done to barn cellar....................................... 60000
> "Small buildings, such as stable, coach-house, blacksmith'sshop, pig-house, covering.for horse-power, with a granary in the loft, and a loss of a deep well." ........ 2,50000

This estimate it made on the supposition that the buildings enumerated, will not be serviceable, or at least, that they will not be required for the purposes for which they were ereected. With respect to the land, I liave taken pains to ascertain the actual cost,
and from information which I deem to be reliable, I have come to the conclusion that the consideration expressed in the deed, is not the true one, but is greatly in excess of the amount paid for the property.

The actual cost-subsequent outlay for improving the land included-it would not be possible accurately to determine. But, taking all the facts into consideration, including recent transactions in land in the vicinity, and the probable benefit to accrue to Mr. Duncan from the contemplated railway works, I consider he would be sufficiently remunerated by the payment of $\$ 120$ an acre for the land taken from him, and if to this be added something-say $\$ 300$ for possible loss in respect to buildings not on the land taken, it. will give about $\$ 133$ per acre.

The barns and manure-shed on the land taken, I value at $\$ 650$.
The wooden dwelling-house is worth about $\$ 500$. I would therefore respectfully recommend that Mr Duncan be paid,

$$
\begin{aligned}
& \text { For the land; including damages, viz., } 29.60 \text { acres ......... } \$ 3,852 \text {. } 00 \\
& \text { Wooden dwelling-house .......................................... . } 50000 \\
& \text { Barns and sheds on the land taken ..................... } 65000 \\
& \text { Or, if the barns are not wanted for railway purposes, for } \\
& 15000
\end{aligned}
$$

Lot No. 6.-Martin Dowlin.
The quantity of land taken is 7.02 acres, and is part of a tract of nine acres, purchased by Mr. Dowlin, about two years ago, for $\$ 120$ an acre, which he has improved at some expense.

The land is said to be of the same quality as Duncan's, and is in much the same condition, but as the railway will take the best of it, leaving only a small piece of marsh under the bank, which will be of no value as building sites, and will not probably be enhanced in value by contemplated improvements, I think Mr. Dowlin would not be compensated with less than $\$ 150$ an acre for the land taken, and I accordingly recommend that he be paid the sum of $\$ 1,053$.

## Lot No. 7.-Raphael Milner.

The quantity of land taken is 1.96 acres. It is a triangular piece of ground, irregular on the surface, and not much improved ; and as it is but a small part of a large farm, which cannot but be enhanced in value by the railway works, and there is no damage done by dividing one part of the farm from another, I would consider the owner well paid by the sum of $\$ 80$, and therefore recommend he be paid that amount.

Lot No. 8.-Oliver Jones.
This piece of ground contains 3.33 acres, and fronts on the highway; is of the same value intrinsically as Dowlin's lot (as farm land), but is upon the whole better situated and more likely to have sold to advantage. But as Mr. Jones has some other property in the neighborhood (though not much), I consider that he is entitled to about the same compensation for the land. I therefore recommend that he be paid the sum of $\$ 500$.

## Lot No. 9.-Oliver Jones.

This lot contains 2.80 aeres, and is of equal value with the last.
There is a frame house on it, $24 \mathrm{ft} .9 \mathrm{in} . \times 29 \mathrm{ft} .8 \mathrm{in} ., 11$ story, clap-boarded, lathed and plastered throughout ; with back kitchen, $19 \mathrm{ft} . \times 20 \mathrm{ft}$., and a wood shed, 12 ft ,
$4 \mathrm{in} . \times 11 \mathrm{ft} .9 \mathrm{in}$. The house is well situated for renting, being in the vicinity of the tannery ; one-half lets for $\$ 32$ a year, and the other commands about $\$ 28$. I therefore value the house and buildings at $\$ 600$. I therefore recommend that Mr . Jones be paid that amount for the house, and $\$ 420$ for the land.

> Lot No. 10.-Crandall \& Co.

This is part of four acres, purchased for a tannery lot for $\$ 400$ per acre: The present owners say that the assumption of a portion of this land for railway purposes will not leave sufficient room for this purpose, and that they will have to throw a bridge acrose a-pond, in order to have access to the lot; the ground taken from them occupying the site of the only entrance to the tannery from the highway.

They claim a thousand dollars damages. I am not aware whether they can procure additional land convenient to their works, or if so, at what price. Consequently, I feel some difficulty in determining what amount of damage they will sustain. As, however, I have no evidence that they will sustain any serious inconvenience or loss, by the loss of a small part of their land, I cannot recommend the payment of heavy damages. My opinion is that $\$ 450$ is sufficient for the land and the erection and maintenance of a bridge, and I therefore recommend the payment of that sum.

Lot Nọ. 11. AHenderson \& Co.

The owners paid $\$ 500$ an acre for land some 12 or 13 years ago, but their expectations in regard to the value of it have not been realized. It seems hard that they should suffer so great a loss; but, inasmuch, as there was no prospect of the land selling for any other than farm purposes for a many years to come, if ever, I do not see that I can place a higher value on it than on the neighboring land. Considering its situation, however, and that the owners have no land left to be benefited by the railway, I deem them entitled to the highest price to be paid for any of the land under valuation. I therefore recommend that they be paid at the rate of $£ 40$ an acre; or the sum of $\$ 683$, there being 4.30 acres.

There is a small building on the lot, owned by Duncan King, and occupied as an office, by Mr. Crossdale, the Engineer in charge at Moncton, which I value at $\$ 350$. The building is 32 ft . $6 \mathrm{in} . \times 22 \mathrm{ft}$. 6 in . Ten feet post, clap-boarded and painted, one-half lathed and plastered. I therefore recommend that Mr. King be paid the above amount for the building.

Lot No. 12.-Jacob Wilson or Workmañ.
This is a lot containing 0.31 acres, situate on the north-westerly corner of the plot now taken, on which is a two story wooden dwelling-house, $30 \mathrm{ft} . \times 70 \mathrm{ft}$.; clap-boarded all round, with heavy cornices. The ceilings of the central portion are $9 \frac{1}{2}$ feet high, both storys, and of the wings 8 ft ., plain finished, lathed and plastered throughout with exception of the upper part of one wing, $20 \mathrm{ft} . \times 30 \mathrm{ft}$. The house is papered and painted, and in pretty good condition. There is also a barn on the premises, $24 \mathrm{ft} . \times 34 \mathrm{ft}$. The building will be useful to the Government, but as property has depreciated in the neigh. borhood, I do not consider the lot and building worth more than $\$ 1,600$, and therefore recommend the payment of that sum to Mr. Workman.

## Lot No. 13.-Ourver Jones.

This lot contains 0.15 acres, with a large two-story wooden dwelling-house, occupied by two families; clap-boarded, and lathed and plastered throughout. There are twelve rooms (plain finished), six of which are papered, but the paper is in bad condition. There are two small wood sheds attached. I recommend that Mr. Jones be paid for the lot and buildings the sum of $\$ 1,000$.

> Lot No. 14.-Jonatean Weir.

This lot is 0.22 acres, and was purchased by Mr. Woir for $\$ 400$.
Mr. Weir has erected a machine shop on the lot, $30 \mathrm{ft} . \times 40 \frac{1}{2} \mathrm{ft}$., 9 ft . post, plastered all round between the studs (with wood shed attached), resting on stone abutments or pillars, sixteen in number ; also, a blacksmith's shop, $31 \mathrm{ft} . \times 41 \frac{1}{2} \mathrm{ft} .$, plastered on one side and end, The machine shop will have to be used while a new one is building, but can afterwards be removed and used for the blacksmith's shop, after the machinery has been taken out.

A lot can be purchased as a site for these buildings, for about $\$ 300$. Mr. Weir claims that it will take $\$ 100$ for taking down and putting up his steam engine and other machinery ; that the removal will occasion a loss of 18 days' business, which he puts down at $\$ 128$. There is a well, 20ft. deep, on the premises, which he says cost $\$ 40$. Mr. Weir has handed me an estimate of the cost of building a new machine shop, and removing the present building, amounting to $\$ 1,850$, exclusive of the before-mentioned items.

Having informed myself of the cost, \&c., of moving machinery, and the probable amount of time that will be lost, I am of opinion that Mr. Weir's claims in these respects are not extravagant, but I think his estimates for building are altogether too high.

I have therefore to recommend that Mr. Weir be paid,

| For the land | \$300 00 |
| :---: | :---: |
| Machine shop | 57500 |
| Removal of old building | 5000 |
| Well | 4000 |
| Removal of machinery | 10000 |
| Loss of time and damage to business | 12800 |

In consequence of the difficulty of procuring reliable data on which to ground my valuations, I have taken more time to make up my estimates than I should have done had the ordinary sources of information been more reliable.

The difficulties indicated must also be my apology for so much detail.
Respectfully submitted,
(Signed, W. R. M. Burtis.

> Valuator.

## Campbellton,

 6th March, 1870.Schedule of Lands and Buildings referred to in the annexed Report, with the valuations.

| No. Lot. | Name of Owner. | Quantity. | Building purchased | Building removed. | Walue. |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 5.... | William Duncan.............. | $\begin{aligned} & \text { Acrea, } \\ & 29.60 \end{aligned}$ | And damages ..... Wooden dwelling; house on the land taken $\qquad$ Two barna \& sheds onthe landtaken. | . | $\begin{array}{r} \$ 8 \text { nts. } \\ 2,85200 \\ 50000 \\ 65000 \end{array}$ |
|  | If the barns are to be removod instead of purchased ............. |  |  |  | 15000 |
| 6.... | MartinDowlin............... | $7 \cdot 02$ |  |  | 1,053 00 |
| 7... | Raphael Milner............... | 1.96 |  |  | 8000 |
|  | Oliver Jon¢s.. ................ | 3.33 2.80 |  |  | 800 <br> 420 <br> 00 |
|  |  |  | Dwelling-houses and damages |  | 60000 |
| 10.... | Crandall \& Co........... .... | $0 \cdot 63$ |  |  | 45009 |
| 11.... | Henderson \& Co............... | $4 \cdot 30$ |  |  | 68300 |
| 12.... | Jacob Wilson. ................. | $0 \cdot 31$ | Office on the lot... |  | 35000 25000 |
|  |  |  | Dwelling house ... |  | 1,230 00 |
|  | Oliver Jone3.................... | 0.15 | Barn.............. |  | 15000 |
| 13.... |  |  | Wooden Dwelling |  | 85000 |
| 14.... | Jonathan Weir . . . . . . . . . . . . | 0.22 |  |  | 30000 |
|  |  |  | Machine shop..... | Machine shop for purpose of Blacksmith's shop $\qquad$ | 57500 5000 |
|  |  |  | Well . . . . . . . . . . . . <br> Removal of machinery <br> Loss of time and damages to business. |  | 4000 |
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Tenders for the Intercolonial Railway....... Section No. $\mathbf{j}$.-7th May, 1870.

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Tenders for the Intercolonial Railway...c...Section No. B.-Continued.


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Tenders for the Intercolonial Raticway.......Szetion No. 8.




Tenders for the Intercolonial Railway.......Section No. 8.-Continued.












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Tenders for the Intercolonial Railway.......Section No. 12.-Continued.

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## 119






Tenders for the Intercolonial Railway.......Section No. 16.



Tenders for the Intercolonial Railway.......Section No. 17.

Tenders for the Intercolonial Railway.........Section No. 17.-Continued.

Tenders for the Intercolonial Railway......... Section No. 18.


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Tenders for the Intercolonial Railway......Section No. 18.-Continued.


Tenders for the Intercolonial Railway......Section No. 19.

Tenders for the Intercolonial Railway.......Section No. 19.-Continued.

Tenders for the Intercolonial Raillway.......Section No. 20.

Tenders for the Intercolcnial Railway.......Section No. 20.-Continued.









Tenders for the Intercolonial Railway.......Section No. 23.
5th October, 1870.



 26 A. Maming \& Co........


Montreal, March 16th, 1870.
Gentlemen,-We hereby propose and agree to build for your Company, forty loco motive engines and tenders as per your printed specifications, and deliver the same on cars in the City of Philadelphia, for the sum of fourteen thousand two. hundred and fifty dollars each ( 14,250 ), United States' currency.

Yours respectfully, M. Baind \& Co., Ealdwin Locomotive Works, Philadelphia.
To the Commissioners of the Intercolonial Railway Co.,
A. Walsh, Esq., and others.

## CONDITIONS OF CONTRACT FOR ROLLING STOCK.

No tender will be received except upon the printed form.
The number of vehicles tendered for must be inserted in the tender.
Each vehicle must be delivered complete for the amount of the accepted tender, and no extras of any kind whatever will be admitted or allowed.

Twelve of the engines will have 5 feet 6 inches driving wheels, and 28 engines 5 feet driving wheels. In every other respect, each engine must be an exact duplicate of the others.

Ten engines with 5 feet driving wheels must be completed and ready to go to work by the 15 th March, 1871. 15 engines will require to be ready by the 1 st January, 1872, and 15 engines by the 15 th March, 1872.

The whole of the 150 platform cars will be required to be completed and ready for work by the 15 th March, 1871.

The 250 box freight cars will be required to be completed and ready for work by the 1st January, 1872. A portion of these cars may be required at an earlier date at the option of the Commissioners.

Delivery will have to be made at Rivière du Loup, and on the existing railways in New Brunswick and Nova Scotia, at such points and in such quantities as the Commissioners may direct.

Inspectors will be appointed to see that the different vehicles are constructed in strict accordance with the drawings and specifications.

Payments will be made on account, at the discretion of the Commissioners, during the construction of the rolling stock, and after any such payments, the rolling stock and materials will be subject to the lien of the Commissioners, and the contractors will be required to deposit with the Commissioners fire policies for the fall amount from time to time advanced.
A. Walsh,
E. B. Chandler,
C. J. Brydaes,
A. W. McLelan, Committee.
Ottawa, 17 th January, 1870.

## TENDERS FOR ROLLING STOCK.

The undersigned, having seen the drawings of the rolling stock required for the Intercolonial Railway, hereby tender to construct the following vehicles in accordance-
with said drawings, with such further detailed drawings as may be supplied-in accordance with the general specifications and above conditions of contract signed by the Commissioners, and dated Ottawa, 17th January, 1870, -and to execute such contract as the Commissioners may decide upon.

| 40 Engines and Tend |  | 00 | each. | \$512,000 |
| :---: | :---: | :---: | :---: | :---: |
| 250 Box Freight Cars | " | 750 | " | 187,500 |
| 150 Platform Cars | " | 600 | , " | 90,000 |
| , |  |  |  | \$789,500 |

Ganadian Engine axd Machinely Co., Kingston, Ontario, March 17 th, 1270 , For the above Company. (Signed), P. J. Reekie, Managing Director, Montreal.

(Signed), $\therefore$ George Stephen, Wituess.
Note.-The prices given in the above tender are for the whole quantity of each kind of vehicle stated therein and for delivery on the Grand Trunk Railway, Kingston, Ontario.

40 Engines and Tenders, at $\$ 11,000$ each.
Box Freight Cars, in bond:
Platform Cars do.
Delivered in working order at Quebec, Rivière du Loup, Shediac, or Halifax.
(Signed), John Walker,
London, Ontario,
Agent for
Dube \& Co.,
Glasgow Locomotive Works,
Gzasgow, Scotland, 17 th March, 1870.
(Signed), W. Bromax, Witness.

Box Freight Cars, at \$800 each.
Platform Cars,
630
Delivered in Nova Scotia.
We tender for the whole number required for Nova Scotia and New Brupswick.
Edifadd Shaffer,
Edward Curry,
Windsor, N.S., 9th March, 1870.
(Signed), Mark Cuirx, Witness.
Box Freight Cars $\$ 850$, delivered in New Brunswick.
Platform Cars 650 . "
"

40 Engines and Tenders, at $\$ 11,575$ each.
Yorkshire Engine Co., Limited,
Alfred Lacue, Managing Director, 26th February; 1870.
(Signed), Hevar Carter, Witness.

10 Engines and Tenders, at $\$ 11,850$ each.
20 or more at $\$ 500$ each, less say $\$ 11,350$ each.

> E. E. Gilbert,
> Montreal, March, 1870.
(Signed), T. Morland, Witness.

12 Engines and Tenders, at $\$ 14,500$ each.
100 Box Freight Cars,
900
$"$
600

Myslop \& Rönald,
Chatham, Ontario, March 14, 1870.
(Signed), Geonge F. Honsford, Witness.

250 Box Freight Cars, at $\$ 774$ each.
150 Platform Cars,
630 "

## Simon Peters, Quebec, March 17th, 1870.

(Signed), , W. Clendinning, Witness.
$\qquad$
Delivery to be made at London or Toronto, on the Grand Trunk Railroad, in bond. 250 Box Freight Cars, at $\$ 848$ each.
150 Platform Cars,
March, 4th, 1870.
(Signed), Join Walker, Witness.
This proposition is for a less or greater number.

Delivery to be made at London or Toronto on Grand Trunk Railroad, in bond.
250 Box Freight Cars, at $\$ 815$ each.
150 Platform Cars,
671
Using the best American iron and axles, warranted equal to those asked for by specification.

$$
\begin{aligned}
& \text { Michigan Carriage Co., } \\
& \text { Detroit, Michigan, } \\
& \text { March 4th, } 1870,
\end{aligned}
$$

(Signed), Johy Walker, Witness.
This proposition is for a less or greater number.

$$
\begin{gathered}
50 \text { to } 100 \begin{array}{l}
\text { Box Freight Cars, at, } \$ 765 \text { each. } \\
\text { do } \\
\text { Platform Cars, }
\end{array} \\
\end{gathered}
$$

20 Engines and Tenders, at $\$ 12,500$ each, delivered in New Brunswick or Nova Scotia.

250 Box Freight Cars, at $\$ 770$ each, delivered at Rivière du Loup, New Brunswick, and Nova Scotia.

150 Platform Cars, at $\$ 580$ each, delivered as above.
The Intercolonial Iron and Steel Co.,
Johin Livesey, President.
Londonderby, N.S.,
March 17 th, 1870.
(Signed), Wile Rice, Witness.

250 Box Freight Cars, at $\$ 752$ each.
150 Platform Cars,
570
Delivered at Rivière du Loup, 17th March, 1870.

W. Chexdimning,<br>Montreal.

(Signed), Dạid Bhl Honte, Witness.

250 Box Freight Cars, at $\$ 719$ each. 150 Platform Cars, " 615 ,

Wm. Hamilton \& Son,
Toronto.
(Signed), J. B. Cook, Witness. References-

Rice, Lewis \& Son, Toronto.

20 Engines and Tenders at $\$ 13,000$ each.
125 Box Freight Cars, ;" 900 "
70 Platform Ca1s, , $\quad 750$ \%
Deliverable on Nova Scotia Railway or its connection with New Brunswick, as far as completed.

Wm. Montgonery \& Co.
Halifax, N.S., March 17th, I870.
(Signed), . E. M. MacDonald, Witness.

Otrawa, March 29th, 1870.
Gentlemen,-In order to prevent any misconception respecting our tender for rolling stock, we beg to inform you that it was based upon payment being made in Falifax currency. Having executed a large amount of work for the Department of Marine and Fisheries, for which we have been uniformly paid in Halifax currency, ve supposed that payment for rolling stock would be made in the same manner if delivered in Novo Scotia.

If the intention is to pay in Canadi currencs, our tender will have to be reduced $23 \%$.

Respectfully yours,
Wm. Moxtaomery \& Co.
To the Commissioners, Intercolonial Railway.

70 Box Freight Cars; at $\$ 735$ each.
80 Platform Cars,
" 610 ,
J. C. Gough,

Shipbuilder, Chatham, N.B:
John Hunter,
Car-builder St. John, N.B.,
17th March, 1870.

40 Engines and Tenders, at $\$ 11,800$ each, in bond.
For the Vulcan Foundry Co., Limited,
C. Wilhiais; Laneashire, England.

David Bellhouse \& Cu.,
Montreal.
(Signel), W. Clexdinning, Witness.
Ortawa, 17 th March, 1870.
20 Box Freight Cars, at $\$ 795$ each.
40 Platform Cars, \# 695
To be delivered at Moncton, County of Westmoreland, N.B.
Thomas Temple, Russeld House, March 17th, 1870.
(Signed),
E. R. Burpee, Witness.

150 Box Freight Cars, at $\$ 799$ each, if delivered in New Brunswick ; and $\$ 819$ each, if delivered in Nova Scotia.

150 Platform Cars, at $\$ 599$ each, if delivered in New Brunswick ; and $\$ 614$ each, if delivered in Nova Scota.

The wheels to be nade of satisfactory charcoal iron, and axles of best hammered iron. James Harris,
St. Jony's, N.B., Mareh 8th, 1870.
(Signel), A. L. Palmer, Witness.
40. Engines and Tenders, at $\$ 12,000$ each . $\$ 480,000$-Gold.
B. W Healey, Superintendent, Rhode Island Locomotive Works, Providence, R.I., March 17th, 1870.
(Signed), Joun G. W. Martin, Witness.
40 Engines and Tenders at $\$ 2,300$ cach.
Delivered in Bond.
Neilson dico.
Hyde Park Locomotive Woris, Glasgow, 3rd March, 1870.
(Sigued), Alexivder Allas, Witness
of T. © A. Allan, 70 Great Clyde Street,
Glasgow.
150 or more Bux Cars, at 8815 each, on the track of tho Grand Trunk Railroad, at Port Hope.

Randall Barnett co Co.,
Port Hope, March 15th, 1870.
(Signed), Wo F. Patensos, Witnes:

40 Engines and Tenders, at $\$ 12,000$ each.

Grant Locomotivn Worirs,

> By R. S. Grant, Foreman, Patterson, New Jersey, March 16th, 1870.
(Signed),
R. Laflameur, Witness.

150 Box Cars, at $\$ 1,057$ each. Platfoom Cars, at $\$ 745$ each.
(Signed), Doxamd SyMond, Witness.

W. S. Symond \& Co., Halifax, N.S., 11 th March, 1870.

10 or more Engines and Tenders, at $\$ 13,900$ each-Giold. Said Engines and Tenders to be delivered on existing Railway, in Nova Scotia or New Brunswick. Duty unpaid.

Ten or more Engines and tenders, at $\$ 13,600$ each-Gold-delivered at Riviere Du Loup. Duty unpaid.

> Portland Company, Portland, Maine, U.S., March 11th, 1870,
> By Geo. F. Muse, Superintendent.
(Signed), Andrew Spring, Witness,
All and any of the above Engines and Tenders bid for, to be delivered at such times as the Commissioners may direct, on their acceptance of this Tender.

> 250 Box Freight Cars, at $\$ 760$ each.
> 150 Platform Cars, $\% 80$ "

Geonge Neilson,
Belleville, March 16th, $18 \% 0$.
(Signed), M. (iullor, Witness.

150 Box Freight Cars, at $\$ 760$ each.
100 Platform Cars 650
Delivered on the Grand Trunk Railroad, Toronto.
John Clement \& Cóo.,
Atlas Woodworks Toronto; 14th March, 1870.
(Signed), D. Hayes, Witness.

40 Engines and Tُenders at 62,000 Francs-sixty-two thousand Francs each.
Societé, John Cockerill,
Seraing, Belgium,
22nd February, 1870.
E. SAD,

General Director.
Bourgn,
Secretary.

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Gpeat Westerx Engine Stock.-Classified Abstract.


## (Copy.)

## TENDERS FOR BESSEMER STEEL RATLS AND FITTINGS.

The undersigned hereby tender to deliver for the Commissioners of the Intercolonial Railway, Free of Bond, at Liverpool, in strict accordance with the annexed conditions and plans, eight thousand tons of Bessemer Steel Rails, with the necessary quantity of Bessemer Stecl Fish Plates and Iron Bolts and Nuts, at the following prices, viz :-


And to have them all ready for shipment it Liverpool in the following proportions, and at the following dates:-

1,200 tons Rails with the proportionate number of Fish Bolts, Bolts and Nuts; - 600 tons, 15 th July, 1871 ; and 600 tons, 15th August, 1871.

2,000 tons Rails with the proportionate number of Fish Bolts, Bolts und Nuts, 15th March, 1872.

1,200 tons Rails with the proportionate number of Fish Bolts, Bolts and Nuts, 15tin April, 1872.

3,600 tons Rails with the proportionate number of Fish Plates, Bolts and Nuts; 1,200 tons, 15th May, 1872 ; 1,200 tons, 15th June, 1872; 1,200 tons, 15th July, 1872; or agree to deliver any lesser quantity not less than tons of Rails, with proportionate quantity of Tish Bolts, Platés and Nuts at the same rates, and deliverable in the same proportions.
Chas. Camimell \& Co., Lemired.
Gro Nilson,
Managing Director.
Cyclops Strel and Iron Wores,
Sifefield, 14th Dec., 1870.
(Signed), W. Fibis, Witness.

The undersigned hereoy tender to deliver for the Cummissioners of the Intercolonial Railway, Canada, Free of Bond, at Liverpool, in strict accordance with the annezed conditions and plans, 1,000 tons of Bessemer Steel Rails, with the necessary quantity of Bessemer Steel Fish Plates, Tron Bolts and nuts, at the following prices, viz :-


And to have them all ready for shipment at Liverpool in the following proportions and at the following dates:-

100 tons Rails, Fish Plates, Bolts and Nuts, 15th March, 1871.
200
500
100
100
Or we agree to deliver any lesser cinantity, not less than 500 tons of Rails with the proportionate'quantity of Fish Plates, Bolts and Nuts, at the same rates, and deliverable in the same proportions.

> Patent Shaft and Axle Company, Brunswick Inon Works, Wednesbury.
(Signed); Josmpi Ross Baler, Witness.

The undersigned hereby tender to deliver for the Commissioners of the Intercolonial Railway, Canada, F. O. B., at Barrow-in-Furness, in strict accordance with the annexed conditions and plans, 14,000 tons of Bessemer Steel Rnils, with the necessary quantity of Bessemer Steel Plates, at the following prices, viz :-

$$
\begin{aligned}
& \text { f. s. d. } \\
& 14,000 \text { tons Bessemer Steel Rails, at per ton of 2,240 lbs....... } 1150 \\
& \text { Necessary quantity Bessemer Fish Plates, at per ton of } \\
& \text { 2,240 lbs. } \\
& 1150
\end{aligned}
$$

Ind to lave all ready for shipment at Darow-in-Furness, in the following proportions, and at the following dates :-

4,500 tons, 15 th MIay, 1872 ; 4,500 tons, 15 th April, 1872 ; 5,000 tons, 15th May, 1872;
Or we agree to deliver any lesser quantity, not less than 10,000 tons of Rails, with the proportionate quantity of Fish Plates, Bolts and Nuts, at the same rates, and deliverable in the same proportions.

For Barrow Hematite Steel Company, Limied. Henry L. Jonas, Secretayy. Barrow-in Furness, Lancashiml, lst November, 1870. W. H. Shlver, Witness. (Copy.)

> Barnow Hemhtite S'teel Company, Limited, Barow-In-Furness, Lancashime, 15 th December, 1870.
Genmenen,-Referming you to our letter dated 1st ultimo, accompanying a formal tender for the supply of 14,000 tons of Steel Rails to be delivered to your Company in the year 1872, we now beg leave to wait on you with an alternative proposition, the result of a careful review of our present position in connection with existing engagements for delivery, during the next two years, as follow :-

If you will entrust us with a Commission to the extent of 25,000 tons for delivery in the year 1872 , we will undertake to make such additions to our plant, as will enable us. to produce 1,500 tons for delivery at Quebec, in the month of May ; and from 5,000 to 6,000 tons at Halifax, and other specified ports by the 1st of October, in the year 1871, in such proportionate quantities as are required.

We are, morcorer, prepared, in the event of our being favored with your order on this lusis, to undertake the risk of freight and insurance, and deliver the Rails, F. O. B. at the several ports in Cinnda; at the price of $£ 122 \mathrm{~s}$. per ton net, binding ourselves to employ steam ressels, whenerer it may be necessary, to secure the deliveries at the fixed dates.

Should circumstances oceur, causing delay in the construction of the line, wo shall be willing to cxtend the time of delivery of a prortion of the 25,000 tons, if you should require it, into the year 1873.

- Awating the pleasure of receiving your advices in reply.

We are, Gentlemen,
Your obedient Servants,
For Barrow Hymatite Steel Co., Iimiter.
(Signed), Hexny L. Josis, Secretary.
Messes. The Commissioners
of the Intercolonial Railway, Ottawa, Canadi.

The undersignel hereby tender to deliver for the Commissioners of the Intercolonial Railway, Canada, F. O. B. at Newport or Cardifi; in strict accordance with the amexed conditions and phans:-

400 tons iron bolts and nuts, at per ton $2,240 \mathrm{lbs} . \mathfrak{L} 1 \pm 15 \mathrm{~s} .0 \mathrm{~d}$. 60 tons bolts and nuts, 15th March, 1871.

| 60 | $"$, | $"$ | 15th July, 1871. |
| ---: | :---: | :---: | :---: |
| 100 | $"$, | $"$ | 15th March, 1872. |
| 100 | $"$ | $"$ | 15th April, 1872. |
| S0 | $"$ | $"$ | 15th May, 1872. |

And to have them all ready for shipment at Newport or Cardiff in the above proportions and dates; or we agree to deliver any lesser quantity, not less than 100 bolts and nuts, at the same rates, and deliverable in the same proportions.

Barmell, Brothers \& Shith,<br>Hocirley Bolt \& Nut Wonks, Birmingham, Exglani.

(Signed), J. Baund, Witness.
The undersigned hereby tender to deliver for the Commissioners of the Intercolonial Railway, Canada, F. O. B. at Liverpool, in strict accordance with the annexed conditions and plans, Iron Bolts and Nuts, packed in bags, £12 per ton, or £12.10s. in barrels or cases. We also further agree to deliver in such quantities as may be required. The Staffordshire Boli, Nut, Fencing Co.,

Per W. S. Granger, Secretary, 115-117, Cannon Street, London.
(Signed), Isaac Watson, Witness.
The undersigned hereby tender to deliver for the Commissioners of the Intercolonial Railway, Canada, F. O. B. at Liverpool, in strict accordance with the annexed conditions and plans, 500 to 600 Iron Bolts and Nuts, at the following prices :-

Iron Bolts and Nuts, at per ton of $2,240 \mathrm{lbs}$, $£ 145 \mathrm{~s}$.
and to have them ready for shipment at , in the following proportions, and at the following dates:-

| 80 to 90 | tons, | 15th March, 1871. |
| :---: | :---: | :---: |
| 80 to 90 | 15th July, 1871. |  |
| 140 to 150 | " | 15th March, 1872. |
| 140 to 150 | 15th April, 1872. |  |
| 120 to 130 | " | 15th May, 1872. |

or we agree to deliver any lesser quantity, not less than 200 tons Bolts and Nuts, at the same rate and deliverable in the same proportions.

Horton \& Son,
Almi Works, Darlaston.
(Signed), Johi A. Kmphand, Witness.

The undersigned hereby tender to deliver for the Commissioners of the Intercoloninl Railway, Canada, F. O. B. at Liverpool, in strict accordance with the annexed conditions and plans, as many of A. B. Ibbotson's Patent Rail Joints as are required for 40,000 tons of Bessemer Steel Rails, with the necessary quantity of Bessemer Steel Fish Plates and Iron Bolts, at the following prices, viz. :-
A. B. Ibbotson's Patent Bessemer Steel Joints, per ton of $2,240 \mathrm{lbs} ., £ 23_{6} 6 \mathrm{~s} .8 \mathrm{~d}$. with Fish Plates and Iron Bolts, and to have them all ready for shipment at Liverpool, in the following proportions and at the following dates :-

Sufficient for 6,000 tons rails, 15 th March, 1871.

| $"$ | 6,000 | " | 15th July, 1871. |
| :--- | ---: | :--- | :--- |
| $"$ | 10,000 | $"$ | 15 th March, 1872 |
| $"$ | 10,000 | $"$ | 15 th April, 1872. |
| $"$ | 8,000 | $"$ | 15 th May, 1872. |

or we argee any lesser quantity, or joint complete, weighin;
15 lbs and 12 inches long, 3s. $1 \frac{1}{2} \mathrm{~d}$. cach.
12 lbs. 8 oz., 10 inches long, 2s. 7 d. eaph:
10 lhs. and 8 ins. longs, 2 s . Id. ench.
Ibrotson, Drothers \& Co.,
Globe Iroy ir Śteml Works, Sheffield.
(Signed), Jons W. Thenet. Witness.

The undersigned hereby tender to deliver for the Commissioners of the Intercolonial Railway, Canada, F. O. B. at Cardiff, in strict accordance with the annexed conditions and plans, 10,000 tons of Bessemer Steel Rails, with the necessary quantity of Bessemer Steel Fish Plates, and Iron Bolts and Nuts, at the following prices, viz. :-

Dessemer Steel Rails, per ton of 2,240 lbs., £11 100
$\begin{array}{cccccc}\text { Fish Plates, } & , & " & 11 & 0 & 0 \\ \text { Iron Bolts and Nuts, } & , & \because & 10 & 15 & 0\end{array}$
and to have them all ready for shipment at Cardiff, in the following proportions, and at the following dates :-

| 1,500 | tons Rails, and Fish Plates ant Bolts and Nuts, 15th July, 1871. |  |  |  |
| :--- | :--- | :--- | :--- | :--- |
| 3,000 | $"$ | $"$ | $"$ | 15th March, 1872. |
| 3,000 | $"$, | $"$ | $"$ | 15th April, 1872. |
| 2,500 | $"$, | $"$ | $"$ | 15th May, 1872. |

or we agree to deliver any lesser quantity, not less than 5,000 tons of Rails, with proportionate quantity of Fish Plates, Bolts and Nuts at the same uates, and deliverable in the same proportions.

Guest \& Co.

Pers. Howard,<br>13 Kine's Arms Yard,<br>Moorg.tte Street, London, 6th December, 1870.

(Signed), C. H. Skhltox, Witness.
Clerk,-
13, King's Arms Yard,
Moorgate Street, London.

## TENDER FOR BEST BEST STEEL IRON-HEADED RAILS AND FITTINGS.

We, the undersigned, hereby tender to deliver for the Commissioners of the Intercolonial Railway, Canada, F. O. B. Best Best Stcely Tron-Headed Rails, with the necessary quantity of Best Best Iron Fish Plates and Iron Bolts and Nuts, at the following prices, viz. :-

Steely Iron Rails, per ton of $9,240 \mathrm{lhs}$., £ $£ 1$ ors. nett.
Best Best Iron Fish Plates, ; 715 ,
Iron Bolts and Nuts,
13 5 "
and to have them all ready for shipment at , in the following proportions and at the following dates :-

| 6,000 | propo |  |  |  | , 181. |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 6,000 | . ${ }^{\text {, }}$ | " | ", |  | 15 th July, 1871. |
| 10,000 | ", | ; | " |  | 15 th March, 187. |
| 10,000 | " | " | , |  | 15 th April, 1872. |
| 8,000 |  |  |  |  | 15th May, 1872. |

or they agree to deliver any lesser quantity, not less thain 20,000 tons of Rails, with proportionate quantity of Fish Plates, Bolts and Nuts, at the same rates, and deliverable in the same proportions; and they are further willing to gumrantee the Rails in accordance
with the 8th clause of the statement appended hereto, for five years, for a payment of ten shillings per ton; for seven years, for a payment of fifteen shillings per ton.

The Aberdare Iron Co.,
By Charles Douglas Fox,
Abchurch Yard Chambers, London, England,

December 21st, 1870.
(Signed), Edmund Wraggs, Witness.
Civil Engineer, Toronto, 21st December, 1870.

The undersigned hereby tender to deliver for the Commissioners of the Intercolonial Railway, Canada, F. O. B. Rotterdam, in strict accordance with the annexed conditions and plans, 10,000 tons Bessemer Steel Rails, with the necessary quantity of Bessemer Steel Fish Plates and Iron Bolts and Nuts, at the following prices, viz. :-

| Bessemer Steel Rails, at per ton of 2,240 | lbs., | $£ 14$ | 2 | 3 |
| :---: | :---: | :---: | :---: | :---: |
| Steel Fish Plates, | $"$, | 14 | 2 | 3 |
| Iron Bolts and Nuts, |  | 18 | 13 | 0 |

and to have them all ready for shipment at Rotterdam, in the following proportions, and at the following dates:-

5,000 tons by 15 th March, 1872.
5,000 ', 15th May, 1872.
Or I agree to deliver any lesser quantity, not less than 1,000 tons of Rails, with proportionate quantity of Fish Plates, Bolts and Nuts at the same rates, and deliverable in the same proportions.

Per F———Krupp; N. Longedon, 11, New Broad Street; London.
(Signed), Thomas Scult Cabill, Witness.

The undersigned hereby tender to deliver for the Commissioners of the Intercolonial Railway, Canada, F. O. B. at Swansea, in strict accordance with the annexed conditions and plans, 10,000 tons of Bessemer Steel Rails, with the necessary quantity of Bessemer Steel Fish Plates and Iron Bolts and Nuts, at the following prices, viz. :Bessemer Steel Rails, at per ton of 2,240 lbs, £11 100

$$
\begin{array}{llll}
" \quad \text { Fish Plates, } & & & 1110 \\
0 & 1110 & 0
\end{array}
$$

and to have them all ready for shipment at Swansea, in the following proportions, and at the following dates:-

1,500 tons rails, with requisite number of Plates, Bolts and Nuts, 15th March, 1871.

| 1,500 | " | " | " | 15th July, 187 |
| :---: | :---: | :---: | :---: | :---: |
| 2,500 | " | " | " | 15th March, 1872 |
| 2,500 | " | " | " | 15th April, 1872. |
| 2,000 | " | ," |  | 15 th May, 1872. | or we agree to deliver any lesser quantity not less than " 5,000 tons of Rails, with proportionate quantity of Fish Plate, Bolts and Nuts, at the same rates, and deliverable in the same proportions.

> The Landwr Siemen Steel Co., Limited,
> Per D. M. Gordon, Managing Director, $\because$ Landwr, Swansea,
(Signed), Wh. Hackney, Witness.

The undersigned hereby tender to deliver for the Commissioners of the Intercolonial Railway, Canada, F. O. B. at Liverpool, England, in strict accordance with the annexed conditions and plans, 60,000 tons of Bessemer Steel Rails, with the necessary quantity of Bessemer Fish Plates and Iron Bolts and Nuts, at the following prices, viz. :-

$$
\begin{aligned}
& \text { Bessemer Steel Rails, at per ton } 2,240 \mathrm{lbs} ., \ldots 13 \\
& \text { Fish Plates, } \\
& \text { Iron Bolts and Nuts, }
\end{aligned}
$$

and to have them ready for shipment at Liverpool, in the following proportions, and at the following dates:-

or we agree to deliver any lesser quantity at the same rates, and deliverable in the same proportions.

$$
\text { For the Mersey Steè Iron Co., Lamited, } \quad \text { Lawrence T McEwen, }
$$

Liverpool.
Signed), Wilǐ Rice, Witness.

The undersigned hereby tender to deliver to the Commissioners of the Intercolonia 1 Railway, Canada, F. O. B. at Hull or Liverpool, in strict accordance with the annexed conditions. and plans, 15,000 tons Bessemer Steel Rails, with the necessary quantities of Bessemer-Steel Fish Plates and Iron Bolts and Nuts at the following prices :-

Bessemer Steel Rails, per ton of 2240 lbs., $£ 1210$ for 1871, $£ 130$ for $187_{2}$.
Fish Plates, " $\quad 1210 \quad, \quad 1300$ " Iron Bolts, ", ", 13 5 " and 1872. and to haye them all ready for shipment at "Hull or Liverpool, in the following proportions, and at the following dates:-


Or we agree to deliver any lesser quantity, not less than 1,000 tons of Rails, with proportionate quantity of Fish Plates, Bolts and Nuts, at the same rates, and deliverable in the same proportion.

> John Brown \& Co.,
> $\quad$ Atlas Steel Wories, Sheffield, October, loth, 1870.

Signed), Joseph Garwood, Witness.

The undersigned hereby tender to deliver for the Commissioners of the Intercolonial Railway, Canada, F. O. B. at Newport, Monmouthshire, in stric', accordance with the annexed conditions, and plans 10,000 tons of Bessemer Steel Rails, with the necessary quantity of Bessemer Steel Fish Plates and Iron Bolts and Nuts, at the following prices, viz. :-

and to have them all ready for shipment at Newporit, in the following proportions, and at the following dates:-

| 1,000 tons Rails, \&c., | 15th March, 1871. |  |
| :--- | :--- | :--- |
| 3,000 | 15th July, 1871. |  |
| 2,000 | $"$ | 15th March, 1872. |
| 2,000 | $"$ | 15th April, 1872. |
| 2,000 | $"$ | 15th May, 1872. |

We are also willing to undertake delivery at Quebec, Halifax, Newcastle and Dalhousie, at 21s. per ton, including insurance; or we agree to deliver any lesser quantity not less than 5,00Q tons of Rails, with proportionate quantity of Fish Plates, Bolts and Nuts at the same rates, and deliverable in the same proportions.

Josepí Robinson, For the Ebbw Vale Co., 7, Lawrence Pountimy Hiel, London,
15th December, 1870.
(Signed), W. Carter, Witness.

## TENDER FOR BEST HAMMOND'S RAILS AND FITTINGS.

The undersigned hereby tender to deliver for the Commissioners of the Intercolonial) Railway Canada, F. O. B. at Sunderland or other ports as may be arranged in strict accordance with the annexed conditions and plans, 40,000 tons of Best Hammond's Iron Rails, with the necessary Iron Fish Plates and Bolts and Nuts, at the following prices:-

Rails, Best Hammond, per ton $2,240 \mathrm{lbs}$., $£ 7100$

| If not Punched for Fixings, | $\prime$ | 7 | 9 | 0 |
| :--- | :--- | ---: | :--- | :--- |
| Fish Plates, | 8 | 0 | 0 |  |
| Iron Bolts and Nuts, | $"$ | 14 | 0 | 0 |

and to have them all ready for shipment at Sunderland, at the rate of 2,500 tons per month, from the date of order, or such other deliveries as may be mutually agreed upon; or we agree te deliver any lesser quantity, not less than 10,000 tons of Rails, with or without proportionate quantity of Fish Plates, Bolts and Nuts, at the same rates, and deliverable in the same proportions.

> The Darlington Iron Co., Per A. G. Brownina, 3 Victoria Street, Wesfyminster, Wonglafd. Works :-Albert Hill, Chauncey Vibbard, Witness. $\quad$ Dariington, England.
(Signed),

## TENDER FOR ACADIAN STEEL FITTINGS.

The undersigned hereby tender to deliver for the Commissioners of the Intercolonial Railway, Canada, F. O. B. Halifax, in strict accordance, so ffar as applicable with the annexed conditions and plans, the Scabbard Joint Fastening required for the Intercolonial Railway.

12 inches long by $\frac{1}{4}$ thick, 60 cents each joint.

| 10 | $\#$ | $\#$ | 54 | $\#$ |
| :---: | :---: | :---: | :---: | :---: |
| 8 | $\#$ | $\#$ | 46 | $"$ |

Eolts as required, " 4 cents per lb .
We agree to deliver any quantity as may be agreed upon.

> The Star Manufactory Co.,
> Per Joun Liveser, Agent,
> Halifax.
(Signe l), Jonn Ilton, Witness.

## $\mathbb{R E P O R T}$.

The Select Standing Committee on Public Accounts beg leave to make their

## THIRD REPORT.

Your Committee have taken further evidence in reference to the Intercolonial Railway Expenditure, which, together with evidence concerning the Public Debt, and other matters connected with the Public Accounts, they beg to report for the information of Your Honorable House.

The whole nevertheless humbly submitted.

F. HINCKS,

Chairman.
Rainway Committee Room, House of Commons, Ottawa, 12th April, 1871.

House of Commons,
Railway Comhittee Room, Ottawa, Monday, March 21st, 1870.
Scroll of Select Standing Committea on Public Accounts.
Committee met.

## members present :

The Hon. Sir FRANCIS HINCKS, K.C,M.G., C.B., Chairmain.

Hon. Mr. Anglin,
Hon. Mr. Holton, Hon. Mr. Tilley, Hitn. Mr. Tupper, Mr. Blake, Mr. Bolton,

Mr. Crawford, (Leeds), Mr. Lawson,
Mr. Dufresne, $\quad$ Mr. Macdonald (Glengarry),
Mr. Fortin,
Mr. Harrison,
Mr. Keeler,
Mr. Lapum,

The Committee proceeded to the consideration of expenditure under the Intercolonial Railway Commission.

SANDFORD FLEMING, Esq., Engineer-in-Chief, Intercolonial Railway, was in attendance and Examined.

1. By Hon. Mr. Holton.-WHAT was the length of the line from River du Loup to Truro, as originally laid down by you; and what is the length of that now in course of construction?-The total length of the line to be constructed (on the route adopted) was estimated by me, in my Report on the Exploratory Surveys of 1864, at 499 miles; the total length of the line as now located is as near as possible $499 \frac{1}{2}$ miles.
2. Explain, if you please, the nature and extent of the deviations from the original line, and the considerations which led to their adoption?-Material deviations have been made from the original Major Rooinson Line, as laid down on the maps, although the general route has been adhered to. Between Riviere du Loup and Metapedia there is scarcely a mile of the line the same. These deviations were made in order to lessen the cost of construction. It would have been enormously expensive to have built the
railwav precisely on the original line. Between Metapedia and Bathurst the original line has not been widely departed from. Between Bathurst and Moncton the line has been straightened some ten or twelve miles, and brought nearer the centres of population. Between Moncton and 'Iruro the line as located is generally at some distance from the original line ; one great object of the deviation has been to pass through the coal and iron districts in Nova Scotia, with the view of assisting in the development of the mineral resources of the country.
3. Do you report on tenders for works of constraction before the contracts are awarded; and if so, are your recommendations usually followed?-I do not; I have never been asked.
4. By the Chairman.-DO you report specially on all works put up for tender, giving an estimate of what you consider the maximum and minimum cost of such works? -I have always furnished estimates of the probable cost of sections for which tenders are received.
5. By Hon. Mr. Holton.-IN your experience, is it not usual for the chief engineer of a great public work, to report on the more important tenders, for works of construction, before the contracts are awarded?_Yes; I believe it is usual.
6. By the Chairman.-IN such cases as referred to in your last answer, is it usual for the chief engineer to be called on for detailed estimates of the cost of the work under the different heads of expenditure, before the tenders are opened?-I do not think it is usual ; it may in certain cases be done.
7. By Hon. Mr. Holton.-IN your judgment, is not the system of obtaining reports on tenders from the chief engineer, more likely to secure cfficient contractors, and economical construction than the system actually practiced in the case of the Intercolonial ? -If the chief engineer's advice was followed, I think it would.
8. By Hon. Mr. Tilley. - WOULD you, on any occasion, have advised the acceptance of higher tenders than was accepted by the Government?-Yes, I certainly would, in nearly every case.
9. By the Chairman.-HAD it not been necessary before the contractors have been called on to tender for works, that your department should furnish profiles and specfications of such work ; and, if so, how can you state that you were often unable to judge of their probable cost ?-Before all recent tenders were received, the information furnished contractors, as regards quantities, \&c., was very full, and as exact as could be obtained under the circumstances; but in making my own estimate of the cost, as called upon, my engagements were such, that I had not an opportunity personally of examining the nature of the ground, quarries, \&c., and had, in consequence, a good deal of difficulty in arriving at the value of the work to be done. Had I seen the tenders of intelligent, practical men, who had carefully gone over the whole ground, I would have had the benefit of what they had seen, in making up my own mind as to the value of the work, and for these reasons, my estimate would have been more satisfactory to myself, and, I think, more reliable.
10. By Hon. Mr. Tuppcr.-HAVE not contractors of great practical experience differed very widely in their tenders in many cases?-In the early tenders they differed very widely indeed, but since the adoption of the new system referred to in my last answer, the tenders of good practical men were wonderfully close.
11. By the Chairman.-HOW many sections were let under the old system?-At least seven.
12. By Hon. Mfr. Holton.-WAS the line divided into sections on your recommendation ; and was the system of lettings adopted by the commissioners recommended by you? -I don't remember; I think $I$ had something to say in the matter; I approved of it. As to the system of letting-No; it was not recommended by me.
13. Didyou report on the selection of a site for the principal workshops of the Government system of railways; and did you recommend the selection of the Village of Moncton as the most eligible site, and the purchase thereof $50 \frac{1}{3}$ acres of land, at a cost of $\$ 13,381$, or about $\$ 260$ per acre?-No.
14. Do you think Moncton an eligible site?-I think it a very eligible site,
15. Did you report upon the tenders for locomotives and cars; and, if so, were your recommendations followed in awarding the contracts?-I did not.
16. Were the plans and specifications of the locomotives prepared in your office?They were not.
17. Are the contractors generally making satisfactory progress ; and when do you expect the entire line will be finished, and ready for traffic?-In some cases they are doing pretty well; but, in many cases, they are not making satisfactory progress. I have no idea when the line will be opened.
18. Have you reported respecting the contractors who are not making satisfactory progress ?-I have not.
19. Why not?-Because I have not been asked.
20. Having read an extract from the report of the Commissioners respecting the umpletion of the works, do you concur with these gentlemen? There is nothing to prevent the rails being laid, the road ballasted, and the line opened for traffic some time this coming summer, from River du Loup to a point near Trois Pistoles; the distance, I think, is about 33 miles. With regard to the portion between Amherst and Truro, it will take at least the greater part of the present year to finish the bridging and grading ; the distance is between 70 and 80 miles. I cannot say when the remaining portions of the line will be completed.
21. Will the change from wooden to iron bridges, recently decided upon, involve any loss of time ; and have the plans and specifications of the iron bridges been prepared by you ?-I think it will rather tend to hasten the completion of the work, for the reason that the masonry will be a little reduced, and these iron bridges will be made at some distance from the line of railway, and thus make available all the local labor that might be required in constructing bridges of wood. The specifications referred to were made by me.
22. Would more time have been gained if iron bridges had been originally adopted, as recommended by you?-There could not have been much more time gained, because very little of the masonry is executed.
23. Did you report upon the tenders for steel rails; and are the contracts awarded in accordance with your recommendation ?-I reported generally on the question of steel or iron rails, but I never saw the tenders.
24. I observe by the report of the Commissioners now hefore the Committee, that the cost of engineering done to the 31st December, 1870, is stated to be $\$ 613,70406$, and that of this sum $\$ 150,71180$ was expended by you prior to the appointment of the Commissioners. Can you inform the Committee how much of the latter amount was expended in exploratory surveys, and how much in locating the line? It is extremely difficult to separate the two services, probably about two-thirds, or in round figures $\$ 100,000$, may fairly be chargeable to exploration, the balance to location surveys.
25. What would you consider a fair estimate of the cost of the engineering per mile, on a railway presenting no unusual difficulties, and requiring no structures of unusual magnitude; perhaps you can state, for the information of the Committee, the cost of engineering per mile on some well-known railways in this country ? The cost per mile for engineering varies very much. I am not in possession of infomation respecting the cost of engineering on the various Canadian railways; and it would not, in my opinion, be fair to judge what the cost of engineering on the Intercolonial should be from the cost of other Canadian railways, most of which pass through sections of country well settled. The country through which a great extent of the Intercolonial Railway runs, presented unusual difficulties.'

In a rough estimate which I made in my Report on the Surveys of 1804, I placed Engineering at $\$ 1,500$ per mile.

On looking into the cosi of engineering on American railways, I find the following information:-

| Name of Road. | Length. | Cost of Engineering. | Cost <br> Per Mile. |
| :---: | :---: | :---: | :---: |
|  |  | \$ | \$ |
| Boston and Worcester . | 68 | 228,759 | 3,364 |
| Boston and Providence | 47 | 95,000 | 2,000 |
| Boston and Lowell. | 29 | 47,359 | 1,633 |
| Old Coluny and Fall River | 87 | 353,366 | 4,000 |
| North Pennsylvania. | 67 | 129,643 | 1,935 |
| Pittsburg and Connellsville. | 48 | 108,37\% | 2,257 |

I also find that the average cost of engineering on all the railways in the State of New York exceeds $\$ 2,000$ per mile.
26. By Hon. Mr. Tilley.-DO you consider the present engineering staff on the Intercolonial Kailway excessive?-I do not; my impression is, it is too light for the vigorous prosecution of the work.
27. By Hon. Mr. Holton.-AT what amount do you estimate the expenses of yourself and staff, from 1st January, 1871, to the completion of the line?-It is impossible for me to say when the line will be completed, this is a matter I have no control over, as it depends mainly upon the ability and energy of the Contractors.

An efficient staff is needed. Whether the progress is little or great, and the greater the progress and the earlier the completion of the work, the less will be the cost of engineering in relation to the whole expenditure, and vice versa.

For these reasons it is very difficult, in fact quite impossible, for me to say what additional expenditure will be required on engineering account.
28. Are your assistants appointed by yourself or on your recommendation? Has your staff at any time been more numerous than you considered necessary?-My assistants are all appointed by the Commissioners, I have never complained of the number, but I have complained of their not giving me sufficient assistance. With regard to their efficiency, generally speaking, I have had no great reason to find fault. I have had occasion to remonstrate against individual appointments.
29. By. Mr. Lawsoi.-HAVE any of the staff been retained after you reported them to the Commissioners as inefficient or incompetent ?-No; Ido not remember reporting in writing.
30. By Hon. Mr. Holton.-HAVE the remonstrances referred to in a previous answer been usually attended to and acted upon by the Commissioners?-Sometimes they have been attended to, but not always.
31. By Hon. Mr. Tupper.-ARE the salaries paid to the engineering staff as low as is consistant with obtaining the services of competent men?-Yes, I think so, but I might add, that a good many of the staff have left of their own accord because they have received better offers, in consequence of there being greater demand for engineering skill elsewhere.
32. By Hon. Mr. Tilley.-WERE not many of your assistants formerly in your employ and selected by yourself before the appointment of the Commission?-Yes.
33. By Mr. Bolton.-ON the location of the line have your opinions as to the best and most practicable line always been adhered to, or have you in any case yielded your opinions on the question of location on any portion of the line? -As a rule the line
selected by me with the assistance of those under me, has been finally adopted. There are cases, however, which formed subjects of discussion with the Commissioners.and the Government, and a final decision was made by them.
34. By Hon. Mr. Tupper.-HAS not the whole line, as now located, had your approval ? and if not, in what instznces ?-There are very few cases where the line has not met my approval. I only remember at present of two. I recommended a change of location about the middle of Section 4, which was not adopted, but this was not of very great importance. The second case was the location of the line betweon Moncton and Amherst.
35. By Hon. Mr. Holton.- ON what grounds did the Commissioners or the Government reject your recommendation?-At present I cannot say.
36. By Hon. Mr. Tilley.-HAVE you not from time to time conferred with the Commissioners in relation to the progress of the work? and has not one of your Engineers been recently over the greater portion of the road to ascertain the progress made.?-Yes
37. By Hon. Mr. Thupper.-WOULD not the adoption of your location between Moncton and Amherst have involved building a rival line to one then in course of construction by English capitalists?-Yes.
38.-IS it not undesirable to change the location after a contract has been let, if it can be avoided?-Yes.
39. By Hon. Mr. Holtor.-DID you recommend the location of the Miramichi. Section (No 20)?-I think I did.
40. By Hon. Mr. Anglin.-WERE there not other cases beside the two mentioned in a previous answer in which your recommendations as to the location were set aside without your consent?-No; I do not remember of any other cases.

Mr. Fleming wishes to add in explanation of his replies to questions Nos. 33 and 34, that the location of the whole line through Nova Scotia was at one time the subject of a good deal of discussion and correspondence. In this case the line originally recommended by him as the best was deviated from between Folly Lake and Truro.

The Committee deliberated and
Ordered, That the evidence be printed for the use of the Committee at its next meeting.

The Committee then adjourned until Thursday next, at half past 10 o'clock, a.m.

## Comatree Rooir,

Thursday, 24th Marcl; 1871.
The Committee met.
MEMBERS PRESENT:
The Hox. Sir FRANCIS HINCKS, K.C.M.G.; C.B., Chairman,

Hon. Mr. Anglin,
Hon. Mr. Holton,
Hon: Mr. Tilley,
Hon. Mr. Tupper,
Mr. Bolton,
Mr. Brousseau,
Mr. Carmichael,
Mr. Clawford (Leeds),

Mr. Dufresne,
Mr. Fortin, Mr. Gibbs, Mr. Keeler, Mr. Lapum; Mr. Lawson, Mr. Macdonald (Glengarry), Mr. Walsh.

The Committee proceedel to the further consideration of the expenditure under the Intercolonial Railway Commission.

Walter Shanly, Esq., Civil Engineer and M.P., called in and Examined.
41. By Hon. Mr. Holton.-WHAT do you consider a fair estimate of the cost of engineering per mile on a railroad presenting no unusual difficulties and requiring no structures of unusual magnitude? - The ultimate, per mile, cost of engineering would be affected to a considerable extent by the time taken to complete the road, and the time might be affected by financial conditions. If no delays arose from such cause, the cost of engineering, in my experience, has varied from $\$ 750$ to $\$ 1,400$ per milo, or say from $\$ 250$ to $\$ 450$ per mile, per annum during period of construction.

The Committee deliberated, and
On motion of Mr. Mackenzie,
Ordered, That a shorthand writer be employed to take down the questions and answers.
42. By Hon. Dr. Tupper:-DO you consider the Intercolonial such a road as that described in the question just answered ?-From the character of the country $I$ think that the engineering expenses of the Intercolonial Railway would run up to a maximum figure. I think the railway exploration would be somewhat difficult, as it must run, to a great extent, through a wild country.

## Saydford Fleming, Esq., further Examined.

43. By Hon. Mr. Holton.-IS not a considerable portion of the Intercolonial line over a very level country \&-A considerable part is.
44. By Hon. Dr. Iupper.-I suppose you are aware that Captain Henderson, who was on the engineering staff, was lost for six weeks, and nearly lost his life?

Mr. Mackenzie remarked,-Not on account of the engineering difficulties.
Hon. Dr: Tupper remarked,-It was on account of the wild nature of the country.
45. By. Mr. Mackenzie.-FROM Bathurst to Moncton there are really no engineering difficulties, excepting the passage of the Miramichi River, which is not very dificult. I would ask Mr. Fleming what is the nature of the country, between Bathurst and Moncton from an engineering point of view ?-Very simple, apart from its wooded character.
46. The trees could be cleared away, I suppose?-It is densely wooded ; but when the wood is taken away, it is level generally.
47. By Hon. Mr. Holton.-HOW many miles of the 499 do you consider as presenting engineering difficulties beyond the average of railways in this country?-More than half, probably two-thirds-from one half to two-thirds of the way
48. By Mr. Mackenzie.-WILL you state what you consider excessive, in respect to engineering difficulties?-I should explain that the Major Robinson line which was adopted, ran back from the St. Lawrence about twenty miles between Rivière du Loup and Metis; through that section it is extremely rugged, and the engineering difficulties were very great indeed. That was the line first started on. We follow the shore now, having found the difficulties so great in the interior that we were driven to the shore, thus gaining a more favorable country there. Between Metis and Diuhousie, the engineering difficulties are great, owing to the rugged character of the country; then, between Amherst and Truro, the engineering difficulties are great for the same reason.
49. Then from the Restigouche River and from Dalhousie to Truro it is simple?Not all the way to Truro-all the way to Amherst.
50. That is a distance of how much?-That is a distance of about 200 miles.
51. Do you think there is a portion of railway constructed in Canada that presented an easier or more simple field for operation than that 200 miles?-O yes, a great many. I may say the whole country as far I have travelled through it.
52. By the Hon. Mr. Holton.-THE Great Western?-Well, parts of the Great Western Railway, are very heary,-heavier than you find it on the section referred to.
53. Mr: Mackenzie.--IN fact easier than any portion of the Great Western Railway ?-A great portion of the Great Western Railway is comparatively easy.
54. By the Hon. Mr. Holton.-IS it easier than the Grand Trunk Railway from Toronto to Stratford ?-Well, that would be above the average of the country I refer to.

## Mr. Sifanly further Examined.

55. By Hon. Dr: Tupper.-WHETHER in the construction of the line or lines of the Intercolonial Railway, a large expenditure in surveys or engineering would not ke likely to be productive of real economy in the construction of the work?-O yes.
56. By Hon. Mr. Holton.-IN exploratory surveys?-I would like to draw a distinction.
57. By Hon. Dr. Tupper:-I mean a large expenditure in exploratory surveys and engineering would be likely to promote a large saving in the amount of money expended in the construction of the road and to secure the better construction of the line, by securing cheaper and more efficient work ?-Exploratory surveys are not engineering. The preliminary surveys are engineering in the estimate I gave just now. I include, of course, the road from its first survey to its ultimate completion. I think, myself, that the first survey was very expensive.
58. Do I understand you to include in your estimate of $\$ 1,400 \mathrm{a}$ mile, all that money expended in surveying the routes, not only where the line is located, but in other sections of the country as well? No, I meant to say that ran on the route where the line is to be constructed, the general route to be determined.
59. Because-in this instance-there was a large expenditure ?- Once you have laid down your points, you determine to run your road by the route adopted.

## Mr. Fleming further Examined.

60. By Mr. Mackenzie.-YOU state that the character of this central part as to engineering difficulties, is extremely simple, and that the distance between Dalhousie and Truro may. be called a fair average of the sort of work for about 200 miles of the line. How many miles is there on the St. Lawrence side of the water shed bcfore reaching the Metapedia, that partakes of the same character? On the line as now being constructed, probably, about 80 miles.
61. Beyond St. Flavie you have a difficult part of the line? Extremely difficult, the most difficult on the whole line.
62. By Mr. Lawson.-DO the engineering expenses set down in these returns include the exploration of the frontier route?-I think so.
63. By Mr. Mackenzie.-WILL you say whether the original line run by Major Robinson by the Nipisiguit Valley, and down the West Branch of the Miramichi River, presents greater engineering difficulties, or greater cost of construction than the route ultimately adopted between Newcastle and Bathurst?-I can hardly answer that. We made an exploratlon, but no line was begio.
64. Did you never follow the line that he had drawn to ascertain the accuracy of his statement? Because he states distinctly (and I cannot see how he could have made it, without surveying the line), that there is no portion of it where the grade exceeds 25 feet per mile?-He speals of average grades and not of particular grades.
65. I am quite sure that he says no grade there exceeds 25 feet per milel-I am sure he speaks of average grades.
66. Have you ever examined the route yourself?-No.
67. What is the grade upon the route adopted between Newcastle and Bathurst? -One in a hundred- 52.80 in the mile is the maximum.
68. Did it not occur to you, from the statements made by Major Robinson, that it would have been wise to have followed his line?-No; I found that in other sections of the country; the grades given on his profiles and other' information did not agree with the ground. I do not mean to infer that there were any inaccuracies in his reports on plans. They were all they professed to be, simply to show that there were no insuperable diff:
culties on the route. They were not very accurate or very detailed surveys, but they were correct as far as they went.
69. You stated in your printed answers on a former occasion that the distance in the actual survey was 499 miles, and that the distance according to the located line was $499 \frac{1}{2}$ miles. It has been said that between the two points, the Moncton and Bathurst, the line is ten or twelve miles shorter than by Major Robinson's line. Where does this difference occur? -The difference is on the line between Amherst and Moncton.
70. How much ?-About ten or twelve miles.
71. This measurement is simply map measurement; it has never been surveyed? -The original were map measurements.
72. By the Chairman.-I think I muderstood you to say that you made chain measurements to test the accuracy of the survey?

Mr. Mackenzie remarked,-Not on this portion, for he has never been over it, but Mr. Fleming states distinctly that he never tried this line of Major Polinson's at all between these two points.

Mr. Flemings' Answer-In 1864 or ' 65 I was celled upon to report upon a great many projected lines, and make estimates of distances in order to make a comparison botween various lines. I chained one of these lines from end to end, from Rivieredu Loup to the St. John Railway. I got the very best map of the country that could be had. I found the distance actually chained, did not agree with the map distance. It was either shorter or longer, according to a certain percentage. All the other lines I refer to in my report were measured on the map, and the same percentage added on deducted as was found necessary, and in that way I arrived at the probable length of the lines. The distance vof 499 miles referred to is one of those map measurements, which I added to, or deduoted from as I found it to be necessary.
73. By Mr. Mackenzie.-YOU ascertained what you supposed'was a fair average, and added that to Major Robinson's?-Not at all. I took my own map measurements, and I treated every line in the same way.
74. Then, in that statement about the ten or tivelve miles, how do you get it? From map measurements?-No, from recent measurements.
75. What I wish to ascertain is this: I was led to believe that if Major Robinson's line had been followed up the Nipisiguit and down the Restigouche that it would have been ten miles longer than the route adopted; therefore, some ten miles have been saved between those two points. How do you ascertain that so much was saved?-By measurement on the map, by running a thread on the map between the two lines and taking the distance.
76. You say that, in some cases, you found the distance on the map too short, and in some cases too long?-Not at all. I did not intend to convey that impression.
77. You mean to say, then, that the map corresponds with your chain measurement?No ; the chain was used in one case to test the map measurements.
78. Until you tell whether the actual measurement was Ionger or shorter than the distance marked on the map, you cannot state what distance has been saved or not.

The Chairman remarked-Witness has tested one line by chain measurement. He does not recollect at this moment whether it proved to be longer or shorter by that measurement, and he applied the percentage to all map measurements.
79. WhatI wish to ascertain is this: The real data on which this statement is made, because, I infer very clearly from Mr. Fleming's answer that he is not prepared to say what particular portion of this measurement would correspond with the chain measurement or not. Do I understand you right? I I don't quite understand you, sir.
80. You stated that, in some places, you found the map inaccurate as compared with the chain measurement, that you do not recollect at present whether it was longer or shorter. Do you recollect whether this particular part of the map corresponds with the chain meảsurement? - I could not tell.
81. There is another point, the Chairman remarked. I want this point satisfactorily cleared up, It seems to me perfectly clear, Mr. Fleming has stated over and over again
that the general map measurements he has tested by particular chain neasurement which applies to the whole map measurement, whether that was longer or shorter. He says that the difference or percentage which was longer or shorter he applied to all map measurements.

Mr. Mackenwie.-It does not touch the point at all.
The Chairnann.-I beg the hon. gentleman's pardon. It does touch the case. Mr. Fleming did apply the test.
(One of Mr. Fleming's maps was here produced.)
82. By Mr. Lawson.-BETWEEN what pointsidid you chain?-Between Rivière du Loup and Apohaqui.
83. By Hon. Mrr. Tilley.-DOES the charga in the returns of the cost of engineering include the surveys made between Riviere du Loup and Fredericton in the spring of 1868 ? --Yes.
84. This was not an air line you chained ?-Not at all ; it was a regular survey of the line, going round hills and valleys, \&c.
85. Then you took the map of New Brumswick and compared your measurement with the map, and added to or subtractect as you saw fit?-I found the map distance too short, and I added to it.
86. I think the impression that has been abroad is that you added in some places and deducted in others?-Having refreshed my memory, I am quite sure that I added a percentage to all lines.

Hon. Dr. Tupper.-That map distance was shorter than the actual chain measurement.

Mr. Mackenzie remarked,-That is a mere general statement.
87. By Hon. Dr. Tupper.-HAVE you any doubt that an accurate measurement of the distance on the two lines, between these two points, one by the line as it was originally intended to iun, and the other by the shorter line, would show very closely the estimated difference, as shown by the map?-I think I said eight or ten miles; but there is a considerable margin in that distânce.
88. You do not understand me. I ask whether, from your experience in comparing chained lines with lines on the map, you have any doubt of your ability to state accurately the amount of difference between the two points, as indicated at present?- It has proved wonderfully correct.
89. By Mr. Mackenzie.-BUT, Mr. Mleming, you know that the diference between map measurement and chain measurement would depend wholly on the engineering difficulties of the country?-A good deal.
90. A great deal, is it not. Coming down the Metapediac Valley there are a great many sharp turns?-Yes.
91. You state the character of the country between Bathurst and Moncton to be extremely simple. Very well, the difference there would not be perceptible on the map, between the map distance and the chain distance ?- It would not be so much.
92. So that the application of that rule to that place, as applied to the Metapediac section, would be quite inaccurate?-In comparing the whole distance to Rivière du Loup, it would not make much difference. If you compare the 100 miles between Bathurst and Moncton, and between Dalhousie end Metis, the same percentage added would be unfair.

Well, I am inferring that, in order to show that the rule the honorable gentleman wished to apply in his last question would be wholly inaccurate in this case.

Hon. Dr. Tupper.-Not at all. Let us examine the map.
93. By Mr. Lauoson.- - YOU have taken this variation into consideration in making your estimates ?-Yes.
94. By Hon. Di: Tupper.-THE question I ask Mr. Fleming is this : Taking his map; with the information he had obtained by chaining the line, whether he is able or not able, taking this map to tell, with very considerable accuracy, the comparative distance on that,
line to there, and between those two points?-You cannot tell very accurately. The only way is to take a thread and lay it down so, and another, laying it down so.
95. Can you tell by that map, with considerable accuracy, by any means in your power the comparative distance between this point
and that ?-Yes, within a mile or two. The difference is between eight and ten miles.
96. By Mr. Crawford.-THE whole line, you say, is 499 and a half miles in length. If you save ten miles between those two points, you have to lose ten miles somewhere else. Is there any loss or gain between any other points?

Hon. Dr. Tupper remarked, I think you are assuming that Major Robinson was correct in his survey.

Mr. Crawford.-I an assuming that Major Robinson's line was 499 miles in length.
Witness answered-The distance as given by Major Robinson was somewhat less than 499 miles.
87. And you make it 499 and a half miles. The differonce in one particular place, however, is ten or twolve miles. Then the difference in one place must be made up by a difference in another place?

Hon. Dr. Tupper remarked,-It was Mr. Fleming who male it 499 miles by the northern route.

Witness answered-I do not look upon the distance coming so near 499 miles, as a proof of the extreme accuracy of my calculations; I look upon it as more accidental than otherwise. If the difference had been five miles or even ten miles I would not have been surprised.
88. By Mr: Maclienzie.-YOU have, of course, between Amherst and Truro, another part of that line chained ?- Yes.
89. What is the difference by the original measurement and the chain measurement between Amherst and Truro, the estimated length and the actual measurement between the two places ?-As Major Robinson's line went to Bay Verte and did not come within some nine miles of Amherst, a comparison of distances between these points cannot be made.
90. By Mi. Walsh.-IN your original estimate of the length of the line- 499 miles -where did you propose crossing the Miramachi River, at Indian Town or about New-castle?-At Indian Town.
91. By Mr: Mackenzie.-IN ssossing so high up the river, could you not cross easier than at the Forks ?-I think I could. I think the actual crossing would be somewhat less.
92. By MFr. Walsh.-AT what point?-At Indian Town.
93. Are you aware that in Major Robinson's report he gives the estimate of crossing at Indian Town?-Yes, but that report was made someyears ago, when it was the thought necessary to have very flat curves, \&c., at Metapediac, where he calculated on building sixteen very long bridges; we find it necessary to have only two bridges. I do not attach much importance to this estimate.
94. I suppose the width of the Miramichi River has not varied much since Major Robinson surveyed the line. He gives it at something like $\mathbf{\$ , 3 0 0}$ feet, at all events, 300 feet more than the actual length of the bridges at Newcastle.
95. By Mr. Mackenzie.-WAS il necessary to make this divergence at NewcastleYes; there was a very great necessity for it. The ground is at one place ligh, and at another low, and we had to go down the side of the hill very gradually.
96. The highest point is where the line is actually located?-We took the lowest ground we could find, and made a great many different surveys in that direction in order to fird it. We selected the line which gave us the best railway, from an engineering point of view.
97. Did you ever contemplate crossing the river below New astle?-No, we never sarveyed a line there.
98. It was stated in some answer to a question as to whether there was any settlement
between this point and Moncton, that excepting at Mirimichi there is no population between Bathurst and Moncton. Is it so ?-No, none worth speaking of.
99. Is there any at all?-Well, yes, but very little. What I had reference to is settlements. Thore are about ten thousand people near where the line is located. If we took it by Indian Town it would have been twelve miles further away. There is very little population in the neighborhood of Indian Town.
100. Can there be any considerable population on the line as located, have you seen the Report of the Committee on Crown Lands of New Brunswick on the country?-Yes; I have known railways passing through just such sections of country, and have found these sections pretty well filled with saw mills and lumbering population in a few years.
102. Does the report not speak very unfavourably of it? ${ }^{\circ}$ Does it not say, in fact, that with the exception of about two and a half miles it is impossible to settle this section? -He speaks very unfavourably of it.
103. I wish this point to be brought out clearly, for while Mr. Fleming may not have intended it, he conveys the impression that the line passes through a country where a population resides.
104. By Mr. Lawson.-WOULD it have incrensed the length of the line to have brought it by Indian Town?-Yes, it would have increased it about ten or twelve miles.
105. By Mfr. Mackenzie.-HERE is your answer, Mr. Fleming, and I am quite sure that it conveys an erroneons impression. You say, "Between Bathurst.and Moncton the line has been straightened some ten or twelve miles, and brought nearer to the centre of population?"-Yes.
106. Now, I asked the district engineer, Mr. Light, who has been over that whole line, and he told me that there was not a single inhabitant in that whole distance except in the Miramichi Valley. Now, we know that the centre of population along that whole coast are much nearer the sea than that?-My answer is quite correct, but it may convey a wrong impression. There are no centres of population there (pointing to the map). There is, in the neighborhood of Newcastle, a group of villages, probably about ten thousand people altogether. There are villages near Richibucto, and down in that direction. This line, as now being constructed, is nearer the population on the Miramichi than Major Robinson's line.
107. (Examining the map.)-Do you strike the line from the Shediae to Moncton and traverse that line?-For seven or eight miles.
108. Did not Major Robinson's connect at the latter place ?-It crossed near Shediac.
109. Then, would not that be shorter than making a detour at Moncton on this high ground R-If this was to be the ultimate point to be reached it would, but I doubt very much if it would otherwise.
110. If Major Robinson's line was taken you would have to come by the little villages near the gulf, where it does not touch now ; the population is not large?-Yes, lout it is some, and it would have been touched.
111. By Hon. W. Tilley.-HOW much nearer to the St. John than the other line is this?-Ten or twelve miles.
112. By W. Mackenzie.-AS to the population mentioned by you, the population is taken by counties and would have been the same in either case. But, you may take the whole population by one line and none by another, and that is the case here. In part of Westmoreland and the whole of Kent it passes where not a soul lives and where there is no reason to suppose there ever will be a settle, while, if taken by Major Robinsom's line, you would have a great portion of the population of Kent and the whole of Westmoreland.

Hon. Ar. Tilley remarked,-A very small portion of Kent.

## Mr. Shasly further Examined.

113. By Hon. Dr. Tupper-(Pointing to map)-BETWEEN that point (Bathurst) and that (Moncton), is it desirable to save eight or ton miles, and at the same time come nearer the centres of population and the sea coast ?-Of course.
114. By Mr. Mackenzie.-BUT, supposing the grade on this line turns out to be 100 feet per mile and passing through a barren country, while the other line passes through a country that can be cultivated, and no part of the road having a grade of inve than 25 feet to the mile, now, considering these facts (and I get them from official reports), do you consider it advisable to go through this barren tract instead of going the other way?-Under those conditions I would prefer the line having the better grade and better commercial prospects.
115. By Hon. Mr. Holton.-OTHER conditions being the same, the shorter line is better than the longer?-Certainly.

## Mr. Fleming further Examined.

116. By Hon. Mr. Tilley.-Mr. Mackenzie has laid down a certain proposition, but I understand you to say that the grades on the Robinson line exceeded twenty-five feet in places-that twenty-five feet was only an average?-Yes, with regard to the country, one section is about as good as the other, or rather, about as bad as the other.
117. By Mr. Mackenzie.-I understood you to say you have never been up that valley?-I have crossed it. There is no extent of good land there.
118. But there is some?-Very little, and in some places none.

## Mr. Shanly further Examined.

119. By Hon. Mr: Tilley.-I understand you to say that the commercial advantages will be greater by going one road than by going the other?-No; I do not say that. I say that with better grades and greater commercial advantages, I would prefor the longer line.
120. By the Chairman.-Do you not think it a commepcial adrantage to get to tide water?

Mr. Mackenzie remarked,-But it does not reach tide-water.

## Mr. Fleming further Examined.

121. By Hon. Dr. Tupper.-HOW near can vessels come to the line ?-Half a mile for a vessel of 800 tons. I might almost say 1,000 tons.
122. By Hon. Dr. Tupper.-DON'T you think the commercial arvantages ought to be very great to warrant an increase of the line by eight or ten miles in a distance of 150 miles?-They ought to be considerable, but I have frequently diverged in order to get to centres of population ; that is to say when other engineering features of the line do not interfere.
123. I would ask whether the Intercolonial Railway grade on that portion of the line is objectionable?-Not at all. I have already stated that there is no engineering difficulty between Bathurst and Moncton, except the bridging.
124. By Mr. Mackenzie.-YES, but fifty feet to the mile is a high grade ?-Not at all. It is higher at other points than that.
125. By Hon. Mr. Holton.-HOW much higher by the line ultimately chosen than by the other?-I cannot tell. It is quite possible that the grade is the true one, but I found generally that the grades given by Major Robinson were average grades, not individual grades.
126. By Mr: Mackenzie. -MY recollection is very distinct that he states twenty-five feet to be the maximum ?-It may be that an easier line could be had at Indian Town to Bathurst. I do not say it could not be had; but the line from Indian Town to Bay Verte could not be easier than the one from Newcastle to Moncton.
127. You have surmounted the highest part of that land and the grades are necessarily high?-Yes, but we escaped some very deep valleys.
128. There is no higher summit than the one chosen, so that Major Robinson must be correct ?-It is quite possible.
129. You will easily admit that there is nothing more probable than that he is correct?-It is quite probable.
130. By Mr. Walsh. - YOU have made an approximate estimate of the cost of constructing the line between Miramichi and the Eruropean and North American line. Is it not the case that the adopted line is very much cheaper than the others?-It is given in a report, and no doubt whatever the figures say is correct. (Here Mr. Fleming read an extract from the report.) According to this report the line adopted was estimated to be $\$ 700,000$ less than the other line-that is the line between Newcastle and Moncton.
131. By Mr. Mackenzie.-THE Eastern extension line was bought for $\$ 24,000$ per mile. Do you know that that was the actual cost of the road?-I do not know.
132. Did you make any report on that subject?-I think not.
133. You, of course, examined the line previous to its purchase by Government ?-I did.
134. Were the negociations for its purchase conducted by other parties than yourself while you were engineer ?-Yes, I was asked to make an ostimate of the cost of the line.
135. By Hon. Mr. Holton.-DO you remember that estimate?-No.
136. By Mr. Mackenzie.-THEN it was adopted about the head of the Bay. Was that line adopted by yourself as simply being the best route or was it adopted under your instructions?-I adopted it myself. I found a line could be had by the shore, but I discovered that the tides would wash it away if brought close by the shore. It washes further in even now.
137. Between Amberst and Truro where was the original line that you have since considered lengthened ?-Shortened you mean. It was lengthened in one place, and we gained here (pointing to the map).
138. By Mr. Walsh.-YOU have inspected the Eastern Extension Railroad ?-Yes.
139. Do you think it could be built for the amount paid by Government?-I think. it could.
140. By Mr. Mackenzie.-I wish to ask you about the expenditure incurred by printing. Did you obtain the printing required to be done by the Engineering Staff upon your own motion, at any place that suited you, or had you any instructions from Government?-Generally I had it done where it could be had cheapest and best. Part of the time I had it done at Halifax ; I think the greater part of it was done there. In Ottawa I went to Hunter, Rose \& Co., believing them to be the Queen's printers, but it afterwards turned out that they were not.

The Chairman remarked,-With reference to the Eastern Extension, he would like to ask the Hon Mr. Tilley whether the subject of that line engaged consideration at the Conference in London, prior to Confederation?

Mr. Holton.- If you go into evidence of that kind we will have to call all the members of the Conference hero.

Mr. Tupper.-I suppose there can be no objection if I state, for the informan tion of the Committee, that the line from Moncton to the borders of the Province of Nova Scotia was built by a Company of English contractors under a contract made with them by Mr. Smith, as member for the Government of New Brunswick and to which I was a party in relation to Nova Scotia. We were sent to England by the Provinces of Nova Scotia and New Brunswick, with the object of securing the construction of the line from Truro to Newcastle. The Duke of Newcastle stated that while he would not give a guarantee, for that portion of the line between Truxo and Moncton, unless the rest of the line to Riviere du Loup were built; if New Brunswiek and Nova Scotia would provide for the construction of a line between Truro and. Moncton, if afterwasds the rest of the line was arranged for the guarantee should be made applicable to that portion. On the faith of that despatch the Governments of New Brunswick and Nova Scotia made contracts with English capitalists for the construction of a line between these two places,
and it was distinctly understood between us and Mr. Smith and Judge Allan, acting for New Brunswick, that if the Intercolonial Railroad were ever finished this should form part of it-consequently I held the opinion and hold it now that the Government of New Brunswick had a right to locate the line where they pleased--that the contractors should build the road wherever located. I would have considered, after having made terms with English capitalists to build that line, that it would have been a gross breach of faith for this Government to have built a rival line.

Mr. Holton.- Do you know the cost of that line?
Mr. Tilley.-The cost to the Dominion ?
Mrr. Holton.-No. We know that too well.
Mr. Tilley.-Some two or three hundred thọisand dollars in excess of what we paid for it.

Mr. Lawson.-You paid $\$ 24,000$ per mile.
Hon. Mr. Holton.-I am told it cost $\$ 15,000$ per mile, and that it is a very bad road indeed.

Mr. Holton (to Hon. Dr. Tuppar).-Did the English contractors carry out their contract?--They did not with the contract thoy made with me, and I did not hold the Government of Nova Scotia bound to carry it out. In fact, the company failed.

## Witness further Examined.

141. By Hon. Ahr. Holton.-CAN Mr. Fleming inform the committee, what farming land in the neighborhood of villages and hamlets in New Brunswick is worth? Take for instance the village of Moncton, What is land worth per acre? I don't think I can give you a satisfactory answer to that question, I have no means of ascertaining the value at present.
142. By Hon. Afr. Anglin.-IS there no point on the European and North American line nearer Painsaic Junction, to Moncton and Schediac, at which you could have arrived by a reasonably good line? No, I think not. There is a ridge named Lutz Mountain, which we had to avoid by going either to the east or west of it.

Hon. Dr. Tupper (to Hon. Mr. Holton). -I daresay Hon. Mr. Tilley would be better qualified to give information as to the value of land in the vicinity of Moncton, than Mr. Fleming.

Hon. Mr. Holton.-The charge is, that the Government paid excessive prices for lands. They paid $\$ 260$ per acre for land in the vicinity of pretty hamlets, and, as Hon. Mr. Tilley joined in the recommendation to purchase them, we cannot call on him.

Hon. Dr. I'ipper.-WE might call upon Hon. Mr. Smith, who represents the county.
After some further discussion, Mr. Holton said he would like that Senator McLelan should be called on to give evidence before the Committee, in his capacity as Railway Commissioner. Mir. Holton read from returns respecting Intercolonial Railroad Commissioners, a letter from Senator McLelan respecting his position as Commissioner.

Hon. Mr. McLelan being present, was Examined.
143. By Hon. Ary: Holton:-WHETHER, from the middle of February until the middle of May, you were not here in your capacity as Senator receiving indemnity as such, and mileage for coming to and going from the seat of Government, and not exclusively in your capacity as Railway Commissioner?-I was here as Senator as well as Commissioner, and received mileage as well as indemnity.
144. Did you come here as Senator as well as Railway Commissioner?-I attended to both duties. I was here as Senator, but I would not have been here all that time, but for being a Commissioner also.
145. This report is here before me, and it is all I know about it. In answer to an address from the House, returns have been brought down which represent Mr. McLelan as having been here all the time in his capacity of Commissioner ?-I did not intend that
my reply should state that I was here all the time as Railway Commissioner, but during the time I was acting as Senator I was in my office daily.

A. Walsh, Esq., Chairman of the Commission and M.P., Examined.

146. By Mr. Maokenzie.-I find in a number of tenders for platform ears, that Mr. Clendenning tendered for 150 at $\$ 170$ each. The Commissioners gave him 90 only, instead of 150 , and awarded 60 to another firm at Londonderry at $\$ 10$ per car more than Mr. Clendenning's tender. Will you state to the Committee why this was done? Mr. Clendenning in his tender only proposed delivering at Riviere du Loup, and, therefore, the cost of transport of cars from Riviere du Loup to Nova Scotia and New Brunswick would have more than covered the $\$ 10$. It was better (so the Commissioners and Government felt) to have these cars constructed in the Provinces where they were to be used, or otherwise they would have to be transported by water from one Province to another. They are required in the construction of the Railway.
147. Did your advertisement state that the cars must be delivered?-Yes ; I find Hamilton Bros. tendered for 200 box cars. The Commissioners awarded them 150 at $\$ 719$. They awarded the other 50 to a firm at Chatham, Messrs. Gough \& Hunter, at $\$ 735$, or $\$ 16$ per car more than the other firm tendered at. How do you account for this?-That was for the same reason as the other. The cost of transporting the cars from Ontario to New Brunswick would have been more than $\$ 16$ each.
148. Are the spacifications here? -No, they are not, but they will be brought tomorrow.
149. By Hon. Mr. Anglin.-DID the Commissioners in the first place recommend the contract at the higher price?-My recollection of it is that we awarded a certain number of the cars to Clendinning and Hamilton, and left it to the option of other parties below, to tender at the same price for the remainder, but after some correspondence with them in which they stated that they had to import their timber from Ontario, a small additional price was given.
150. By Mr. Mackenzie.-ADDED to their tenders?-No! No! It was below their tenders.
151. By Hon. Mr. Holton.- I would like to ask some questions with respect to contracts for locomotives. I find in the report of the Commissioners, 5th July, 1870, the tenders having been called for, the replies were received in March. The report goes on to say that the tenders from the United States were all too high. So is the tender from Belgium. I'he Yorkshire Engine Company's tender is the lowest, being only $\$ 11,575$ per locomotive, but the Commissioners cannot accept it, and say that suitable engines could not be had at such an extremely low price, the parties having to pay both the cost of transportation and duties.-Now, I want to know, have the Conmissioners any information touching the ability of the Yorkshire Engine Company to fulfil the contract into which they might enter with the Intercolonial Railroad Commissioners?-We had no reason to doubt the ability of the Company to fulfil a contract, but in their tender they did not say they would pay the cost of transportation and duties.
152. But you say they were subject to these charges?-We believe that to be the interpretation of the tender, and therefore they, could not be delivered at that price, duty paid.
153. The Yorkshire Engine Company is a Company quite capable of fulfilling any engagement they may enter into; and the Commissioners did not institute any enquiry as to their ability but doubted it simply because the tender was to low. The lowest of the Canadian tenders is that of Gilbert \& Co., of Montreal. The next lowest is from a Halifax Company, and the next that of the Canadian Engine Manufacturing Company of Kingston, for $\$ 12,800$ per locomotive ; athough Messrs. Gilbort \& Co. agreed to deliver engines at $\$ 12,000$ each. Here it appears that the Commissioners having called for tenders, regard the lowest from a party as to whose ability they had no reason to express a doubt, and proceeded to make a private bargain with two other parties who had tendered
at a higher price. I find on looking at the schedule of tenders, that, besides the Yorkshire Engine Company, whose tender for $\$ 11,575$ was rejected because it was loo low, we have the tender of Mr. Gilbert, of Montreal, for $\$ 11,850$, which is said to have been withdrawn I must ask Mr. Walsh to produce the letter of withdrawal at the next meeting of the Committee. Then, we have the Rhode Island Locomotive Company's tender, $\$ 12,000$, not alluded to in the report at all, $\$ 500$ per engine less than Mr . Gilbert stipulated for, and $\$ 425$ more than the tender of the Yorkshire Company, who are presumed to be unable to fulfil their contract because it is too low.

The Chairman asked,-Deliverable where?
We must assume that it was where the tender stated. There is no reference whatever in the report to this $\$ 12,000$. Are you aware that one of the Commissioners is largely interested in the Kingston Machine Shop, to which this contract is awarded ?-I. am not aware of it.
155. Do you doubt the fact?-That's an expression of opinion.
156. Did you ever hear of it?-I heard some years ago that it was so, but I afterwards heard that he had sold his interest in it.

Hon. Dr. Tupper remarked,-I am under the impression that Mr. Brydges should be called. I can only say that if such was the case, I as an individual member of the Gov ernment am entirely ignorant of it. If it bo so, the Committee would no doubt like to hear of it.
157. Why did you pass over the tender of the Rhode Island Company?-My impression is that it was to be deliverable in bond, but I will look at the papers.
158. It was given me to understand that the tender of the party in Montreal referred to here was not withdrawn, but so small a number of locomotives was awarded to him by the Commissioners that it was not worth his while to accept the contract. He had tendered for 13 or 20 , or some large number, and after expecting to get that many, he understood at Midsummer that only five would be given him, he did not withdraw his tender, but declined to accept so small a number. The prima facia appearance is very bad $?$

In reference to Gilbert, of Montreal; our information was that he had never built locomotives, that it was simply an experiment on his part to extend-his business and our impression was, that, putting in so low under such circumstances, we could not safely put the contract in his hands.
159. By Mr. Mackenzie.-DID the Halifax firm ever build any engines bofore ?-I believe so.
160. I have been wrongly informed then. How many was the award ?-Ten.

Hon. Mr. Holton remarked,- Only five engines were awarded to Mr. Gilbert, and he did not think it necessary to get the expensive machinory required to build that number. He proposed to adapt his shop to this work if he had been treated fairly, and he had reason to suppose that he could get the contract fairly. No man in the Dominion is better able to make an estimate of the cost of manufacturing engines. If he could not. make good locomotives, I don't know why five bad engines should be made, If he were incompetent to make ten or twenty he should not be allowed to make five.

Mr. Anglin. asked,-Where were the engines for the Pictou road built?-
Dr. Tupper answered,-At Kingston.
(After a short discussion respecting the ability of Mr. Gilbert to fulfil his contract.)
The Chairman remarked,-The position he understood was this, the Commissioners intended to give five to each, and on Mr. Gilbert withdrawing they gave the ten to the Halifax firm.
161. By Hon. Mr. Holton.-DID Mr. Gilbert withdraw, giving as a reason that you had awarded him only five?-I did not understand that from his letter.
162. By Hon. 3fr. Anglin.-WHO did the Commissioners consult with, respecting the standing of firms tendering for rails, and with regard to the quality of the work to be furnished before accepting tenders? The character of the firms tendering is a matter of
notoriety. They are known to be large manufacturers, and, so far as our information goes, their credit stands high.
163. By Hon, Mr. Holton.-THERE are two points-The commercial standing of the firms and the quality of their respective products. Were enquiries made on both these points? We did not institute special enquiries on both these points, the firms being sufficiently well known as manufacturers and that any contracts they entered into they were competent to perform. They have already furnished steel rails for lines in Canada.
164. By Hon. Mr. Anglin.-THERE was no sample given you by which they were bound ?-Their work is subject to test.
165. But there are so many various qualities of steel. My impression is that that there should be a standard test?-No, they are subject to inspection by a person appointed by the Commissioners. We had no sample of rail to which their work was to be equal.
166. By Mr. Bolton.-THE Chief Engineer made an elaborate report as to the kind of rail substable to this climate. Are the rails of the kind he recommends \&-The rails are manufactured in accordance with instructions to the inspector, and rails must be made subject to this inspection.
167. Are these instructions given with the report of the engineers?-The instructions are not given yet.

The Committee deliberated, and adjourned until Monday next, at half-past ten o'clock.

> Committee Room,
> Monday, 27th March, 1871.

The Committee met.

## IREMPERS PRESENT:

The How. Sir FRANCIS HINCKS, K.C.M.G., C.B., Chairman.

Hon: Mr. Anglin, Hon. Mr. Holton, Hon. Mr. Tilley, Hon. Mr. Tupper, Mr. Bolton, Mr. Carmichael,

Mr. Crawford (Leeds),
Mr. Dufresne,
Mr. Fortin,
Mr. Gibbs,
Mr. Lapum, Mr. Lawson,

Mr. Mackonzie, Mr. Morrison (Niagara),
Mr. Robitaillo,
Mr. Ryan, (King's, NB.),
Mr. Walsh,
Mr. Young,

The Committee proceeded to the further consideration of Expenditure under The Intercolonial Railway Commission.

## Mr. Walsh again Examined.

Mr. Holton romarked,-That he observed the Yorkshire Engine Company tendered for the whole of the locomotives at $\$ 11,775$ each, and was informed that they were the first company in England.
168. By Mr. Mackenzio.-DO the tenders say where the engines are to be delivered?

Mr. Holton.-(In accordance with the advertisement, I suppose.)
Ans.-Delivered here and duty paid.
169. By Hon. Mr. Holton:-THE Conmissioners rejected the tender, because it was too low, and there is no reference to the duty or bond?-The tender covers the delivery; duty paid. The information we had, was, that loeomotives such as we wanted, never had beon built for that money, and could not, in fact.
170. Only a few years ago the best locomotive-and I have seen no better produced since then-could be had for less money.. The Yorkshire Company is an immense establishment, and turns out an engine or more each day. Considering the magnitude of their
operations, they could make engines cheaper than smaller companies. It is certainly extraordinary to rule them out because their tender is low?-I think the best plan would be, in reference to the price of locomotives, to look at the tenders of the Great Western Railway for locomotives already in use. For those in use for two years and upwards they ask a higher price than we give for new ones.
171. By Mr. Mackenzie.-DO I understand you that the sole ground tor rejecting the tender of the Yorkshire Company was that it was too low? We believed that we could not get an article for that money, that if we gave a contract for that money we would get an inferior article.
172. Did you reject any tenders for the construction of works on the line because you thought them too low?-We passed over contracts lower than those we adopted.
173. That is not the point. Did you pass over contracts because you thought them too low?-We did not give that as a reason for passing them over, although that had influence with us in giving our decision.
174. Mention a case !--I would require to look over the papers first.
175. State an instance where the the commissioners rejected tenders for the construction of works because they deemed them too cheap. - I will look at the tenders and give you an answer to-morrow.

The Chairman remarked-I should say there were a great many such instances.
Witness remarked-We were given to understand, in reference to this tender of the Yorkshire Company, that if the contract were given to them, the engines would not be built by them.
176. By Hon. MIr. Holton.-BY whom ?-A portion of the material, going into those locomotives, would have been sentover to this country and the engines would have boen practically built by Livesay, of Nova Scotia.
177. From whom do you obtain that information ?-From Mr. Livesay himself.
178. It does not appear in any of the papers that have been submitted to us?-It was simply told to me.

Mr. Mackenzie.-IT should be brought before the committee in writing. It is a very inconvenient thing to leave a matter of this kind settled on mere hearsay.

Did you get any further information as to the Rhode Island Company who tendered for forty engines at $\$ 12,000$ in gold ?-There is no reference in the report of the Commissioners to the Privy Council to the tender or the ground on which it had been rejected by the Commissioners. It is the lowest tender excepting Mr. Gilbert's for forty and the Yorkshire Company's for forty that you had before you. 'You do not state any reason for rejecting it? My impression is that there is a correspondence in reference to that tender. I will lookit up and see whether there was any reference to the delivery or duty or to both.
180. Hon. Mr. Holton.-HERE is a New Jersey Company's tender which did not appear in the schedule or the report to the Council. It is dated July 7th. They tendered for $\$ 12,000$ each for the whole number.

Mr. Mackenzie asked,-What Firm is that ?-It is signed R. S. Grant, Paterson, N. J. There is no reference to that or the reason for rejecting the tender. I observe also that the Kingston Company tendered at $\$ 12,800$, and the Nova Scotia Company, to whom a portion of the contract was awarded, at $\$ 13,000$, and that a private bargain was made with them some three or four months after the receipt of the tenders for $\$ 12,000$ each. In the first place I should like to ask the cause of the delay from March to July in deciding on the tenders, and, secondly, what induced the commissioners to overlook other lower tenders and to make private bargains with these two other companies and at a price different from what was tendered at? The principal reason for delay was the conviction of the commissioners that there was ample time for getting locomotives before they would be required.
181. Was it quite fair to the tenderers to leave them so long in suspense?-I don't think the delay prejudiced their tenders. In reference to the private bargains, as they aro called, with the Kingston Company, and with Montgomery, of Halifax, the commissioners believed that they would be acting in the interest of the country if they could get the
work done in the country without loss to the Government-that by encouraging manufactures in the Dominion it was doing service to the country when the works could be done for the same money.
182. But you paid $\$ 500$ more than the New Jersey and Rhode Island Companies tendered for, and $\$ 900$ more than the Yorkshire Company's tender l-It depends, I think, on the conditions of their tenders.
183. We have the tenders to-day, and now we are told there is a correspondence varying the conditions?-I have not looked at the correspondence.
184. By Hon. Mr. Holton.-DO I understand you to say, Mr. Walsh, that the Commissioners objected to the tender of the Yorkshire Company, because a portion of the work was to be done in Nova Scotia?

Mr. Holton remarked,-Which, according to the reason just given for assigning the tender to others, should be a reason for giving them the contract.

The Clairman stated,-I understand the reason to be because they could not be done for the money, and they were to be sent out and put up in Nova Scotia.
185. By Hon. Mfr. Holton.--DON'T you think if the Commissioners were disposed to favor Canadian manufacturers, and perhaps on the ground of public policy it might have been well enough to doit-however, I deny that the Commissioners had a right to decide on matters of public policy--but, don't you think if it was fair to give a preference to shops within the Dominion over those abroad in England or in the United States, that:a notice to that effect should have been given in the advertisement? Don't you think it was unfair to ask for tenders from the world, and then to say that because they wereforeigners, the firms tendering the lowest were not in a a position to have the work? Ought not that to have been stated at first ?-It is very evident that if tenders had been invited from firms within the Dominion only, we could not have got work as cheap as we have got it.

Mfr. Holton remarked,-Therefore, you have simply used these gentlemen to suit your purpose.
186. By Mr. Mackenzie.-YOU say that tenders for the Great Western engines are higher than those sent in by the firms alluded to?-They were equally high. There is a long list of them, before you, giving the length of wear for each engine, and I presume giving very fair information.
'187. Here is the list. There is one engina at $\$ 2,160$, one at $\$ 2,400$, twelve at $\$ 3,200$, twenty-seven at $\$ 1,400$, eighteen at $\$ 5,400$, two at $\$ 6,500$, five at $\$ 11,000$, six at $\$ 11,500$, and six at $\$ 12,500$. Now, I would not infer from that, that you would not have been justified in making terms with the Yorkshire Company? Take those offered at $\$ 2,000$ or $\$ 3,000$-do you think the Commissioners would have been justified ${ }^{3}$ aking such work?
188. By Hon. Mr. Holton.-YOUR statement was, I understand, that the Great Western tenders went to show that you did not pay too much for the engines you have purchased. If it goes for anything it is to show the very opposite?-Take the last price mentioned by Mr. Mackenzie-what was the price paid in that irstance?
189. By Mr. Mackenaie.-JUST so, but you have no such engines tendered for as those?-I don't know about that. The locomotives tendered for are of very superior manufacture.
190. AT any rate there is just this general principle that really responsible parties who are wholly in the trade send in a'tender, and I don't think that the Commissionors can by any possibility justify themselves for refusing that tender on the ground that the company do not know their own business. It seems extraordinary. Here are manufasturers, the most extensive of the kind in the world, and yet we find that the only reason alleged for refusing their tender is the likelihood that the engines mist be inferior because the tender is low. If there are specifications, the work must be delivered according to them. If there is any danger of inferior work being delivered, all companies are subject to the same temptation, and where a company has a reputation to sustain, there is less likelihood that they will manufacture an inferior article. There is no excuse for throwing
an imputation on a company like that, without, apparently, any evidence to justify it. As to verbal statements by irresponsible parties, no attention should be paid to them.

Witness replied,-The argument just now made use of by Mr. Mackenzie is just the reverse of the arguments formerly made uso of against the Commissioners. It was alleged that we made contracts with parties, without inquiring into their standing, and it was frequently said that we took too low tenders. Now the argument is reversed.

Mr. Mackenzie stated,-In the first place you 'are mistaken. I never made such charges as you say.

Witness replied,-Such statements havo frequently been made, if not by you, by others.

Mir. Mackenzie stated,-TThere is no analogy in the first place, and, in the second, you do not pretend to say that your-enquiries justified you in coming to the conclusion that the parties tendering were not able to fulfil their contracts. That is the point. Supposing it to be true that you found people tendering who were not able to do the work. I dare say you would have been justified in refusing their tẹnders, but you were not in this case.

Mr: Anglin stated,-There is no analogy, because the Yorkshire Company is the very first company in England, and it is absurd to suppose that they would not supply 150 locomotives at the price they tendered for. But we have several statoments respecting this tender. In the first place the prices are not considered sufficiently high to guarantee good work. It was afterwards said that there was some doubt as to whether the engines were to be furnished in bond or duty paid. Then it came out that the material was to be sent out here to be manufactured by Livesay of Nova Scotia. That settles the question as to whether they were to be delivered duty free.
191. By Mir. Young.-WHAT is the difference between the Yorkshire Company's price and the contract which has been let ?

Answer by Mr. Mackenzie.-The Yorkshire Company's tender was $\$ 11,775$, and the others for $\$ 2,500$.

Hon. Mr. Holton addressed the Committee.-I think, perhaps, we have all the facts now that we can get on this matter. It appears that the Commissioners in the month of January called for tenders, deliverable in March. That, in the month of July they reported to the Privy Council. That they had decided in favor of contracts with a Glasgow company for a portion of the engines at their original tender or its equivalent with the Kingston Locomotive Company for a further portion, and with Montgomery, of Halifax, for a further portion at arbitrary rates not stated in their respective tenders, and in excess of the tenders of thoroughly responsible parties, and for the reason, as they allege, that they consider it desirable to close in the public interestthey constituting themselves the judges of the public policy of this country-that, as a question of public policy, they considered it desirable to pay more for an engine, in order to have them built here. I may make some ieference to the statements made here on Friday, respecting Mr. Giibert's tender. The Commissioners report that it was withdrawn at the time of the death of Mr. Morland, who was to have been his commercial surety in the matter, but if the decision had been arrived at in proper time and in accordance with fair and just principles, the contract would have been awarded to Mr. Gilbert for the whole number, previous to Mr. Morland's death, and at a price below that which the Commissioners gave the contracts to other parties.

Mr. Walsh stated,-There is a copy of Mr. Gilbert's letter withdrawing his tender.
Mr. Holton informed the Committee that he had received a telegram from him on Saturday, to say that he had withdrawn his contract after Mr. Morland's death ; and

Mr. Gilbert writes on the 5th July in reference to a tender that ought to have been accepted in March, as follows:-

Ottawa, July 5th, 1870.

## C. S. Ross, Esquire, <br> Sectretary Intercolonial Railroad.

Sir, $_{2}$-Owing to the time 'that has elapsed since I tendered for locomotives, and the
additional cost which would beantailed on my now undertaking these, from the general advance in wages and matorials-the extra cost of fall and winter freights, and the greater difficulty of obtaining mechanics so late in the emigrating season, I bcg leave to withdraw my tender and substitute the following: $-=$ I will build and furnish ten locomotives at the same rate each as the next lowest tender from any Canadian establishment. The engines te be made in every respect in strict and faithful accordance with the furnished specifications and drawings.

1 remain, \&c.,
(Signed),

'G. G. Gilbert.

Mr. Walsh.-I think it right to say in reference to Mr. Holton's statement, that contracts have beengiven at a higher rate than some of.the tenders, and that it is true that the tender of the English Compariy is lower than the contract. But I am not prepared to admit that his statement is correct with regard to the Canadian Companies. The corgespondence, which I feel satisfied exists, will show they attached certain conditions as to delivery on bond. That is my impression, and in the event of its being correct, the statement of Mr. Holton would only apply to the English Companies.

Mr. Holton.- I think it very extraordinary that the Commissioners did not report to the Privy Council the reasons that led them to reject tenders from such well known establishments as the Rhode Island Locomotive Works and the Patterson Works. I find no reasons which led the Commissioners to reject the tender of the Yorkshire Companies, which was lower than the contract.

Mr. Crauford remarked,-Tbat Mr. Fleming was asked the other day whether he had formed any opinion as to when the road would be completed. What is the opinion of the Cemmissioners on that point?

Hon. Mr. Holton replied,- - In their report they say it will be finished in 1872. (Mr. Holton had read from the seport to the effect, that in 1872 track, laying would be actively prosecuted on the whole of the line.)

Dr. Tupper remarked,-Is does not quite say the road will be finished in 1872.
Hon. Mr. Holton replied,- We all know that track-laying is a very short process indeed, and that when the track is laid traffic begins.

Mr. Walsh wished to make some statements with reference to the lands purchased at Moncton. It was stated on Friday by Mr. Holton that 50 acres of farm land, as he described it, had cost at the rate of $\$ 260$ an acre.

Mr. Holton.-IS not that a fact?
Mr Walsh.-It is not.
Mr. Holton.-Well then, your repcit is incorrect.
Mr. Walsh.-The mistake the hon. gentleman fell into was in taking the whole 50 acres as farm land. It so happens, that portions of the land purchased is village property upon which there were buildings, of the $\$ 13,000$ paid for the property, only something less than $\$ 8,000$ was paid for land, the balance was for buildings, and with regard to the land itself, about $\$ 150$ an acre is the highest price of any of it that can be called farming land. Having been on the land myself,' I may say that I think that price is not extortionate. The land is admirably situated for the purposes, is perfectly level, and of very. superior quality. Then, with reference to the position of the parties from whom we purchased the land, we have taken from them all the land they had that would have been valuable as building lots in the event of the place growing as 1 presume it will, it being the centre point for the workshops. It will be fornd that a cousiderable portion of tillage property was taken and over $\$ 5.000$ was paid for buildings.

Hir. Holton.- 1 admit that the statement respecting the buildings has an important bearing upon the question, but not the statement of the land's being village property. We know too much of little hamlets in this country, to attach any importance to the statement that the land being in a village of 500 or 600 people makesany great difference 34-25
in its value. But if buildings to the value of $\$ 5000$ were taken with theland I admit that that diminishes pro tanto the cost of the land.

Mr. Walsh stated,--There was another point in connection with this matter, which he would like to refer. The impression was conveyed, I do not know that it was distinctly stated, that one of the Commissioners was interested in the property taken.

Mr. Holton.-I did not hear anything about that in the Committee.
Mr. Walsh.-An impression to that effect was conveyed at any rate, I have brought here an abstract of the titles to the land.

Mr. Holton.-I heard that outside, but it was not referred to in the Committee.
Hon. Dr. Tupper stated,-As a good deal of remark was made, as to an extravagant price being paid for this land, I suggested the other day that the question as to price should be put to some gentleman who knew its value. The representative of the county in which the land is situated (My. Smith) is here, and I wish to ask him whether he thinks the amount paid for that land was an extravagant price?

Mr. Holton remarked,-Perhaps Mr. Smith is not furnished with the state of the investigation before this Committee. Among the papers brought down, appears an item of $\$ 13,000$ paid for fifty acres of land for railway purposes at Moncton ; and the question which I asked the Commissioners was whether $\$ 260$ an acre, which would be the average cost, was a fair price for farming land in the neighborhood of Moncton. I merely make these explanations in order to prepare Mr. Smith for the question of Dr. Tupper.

Mr. Smith. - I understand the price of the farming land was $\$ 150$ an acre. I don't think that an extravagant price. I know the land; it is in the very highest state of cultivation, is most expensively fenced and thoroughly drained.
$M r$. Walsh.-You will find that the valuators estimate the cost, exclusive of the buildings, at from $\$ 29$ to $\$ 133$ an acre.

Mr. Smith. - I do not think that an extravagant price.
Mi. Holton.-I cannot make up $\$ 5,000$ for buildings out of the report of the valuators.

Mr. Mackenzie.-I wish to ask Mr. Walsh, whether the Commissioners have made any provision for getting the rolling-stock so made as to facilitate an alteration to a narrow guage, in case it might in the future be adopted ?-No.
$M r$. Mackenzie remarked,-I put the question because it is well known that railway companies contemplating for some years a change of guage; have considered this in the construction of their rolling-stock. I am informed on the very best authority that it can be changed at half its cost, if it is taken into consideration when the rolling-stock is being built. (Mr. Tilloy-No doubt about that.)
193. By Mr. Mackenzie.-WOULD it not be well yet to take steps to do that ?-I think that a very important question.
194. I am surprised that the Commissioners have not considered it?-We were acting under the law.
195. YOU would still be acting under the law in carrying out the suggestion I have made. I may state that I had a long oommunication from one of the first authorities in the country, giving me information I have just stated.

Dr. I'upper.-THERE can be no doubt at all, that if it be true that locomotives can be constructed so that they can be afterwards changed to a narrower guage at à comparatively small increase of cost, it would be very desirable to do it.

Mr. Gibbs.-Cars are constructed now for different guages.
Mr. Mackenzie.-But what I refer to is the desirability of making such arrangements as to enable a permanent alteration of guage to be easily made.

Mr. Gibls.-I quite agree with you.
Mr. Walsh.-A gentleman was showing me on Saturday, at the Patent Oflice, a model designed to effeci a change of guage very easily. A different kind of axle is used:

## Mr. Fleming further Examined.

196. By Mr. Mackenzie. -I wish to ask some questions regarding section No. 20.

I observe that Jackson's tender, which was ultimately accepted, is some $\$ 92,000$ above Ellis \& Co.'s tonder. There are two tenders intervening ; Ellis \& Co., \$512,000, I think; another at $\$ 546,000$; another at $\$ 567,000$; while the one accepted, I think, was $\$ 612,000$. At all events, there was a difference of $\$ 92,000$. That seems to be a very serious difference, and I wish to ask you what your estimate was, judging from your bills of quantities?-I furnished a minimum and a maximum estimate. The minimum estimate was, $\$ 493,788$; the maximum, $\$ 683,565$.
197. Can you give us the main items?-No, not now.

Mr. Mackenzie remarked,-I can only say, I looked over the bills of quantities at the engineer's office, and I was amazed at the extravagance of the contracts. It seems to me altogether unjustifiable to give out a contract at such a rate, $\$ 92,000$ higher than that originally accepted. There are no engineering difficulties worth mentioning. The bridge is not a work of difficulty, merely a work of extent. It does surprise me very much that the Chief Engineer should not have reported in this matter.
:-a. Mr. Holton.-Perhaps Mr: Mackenzie is not aware that he had no opportunity of reporting upon these tenders.

M1r. Fleming remarked,-I never saw the tenders, and have not seen them yet.
Mr. Tilley stated,-The report of the Commissioners is here in relation to these tenders.
198. YOUR average estimate would be, $\$ 588.776$ ? - Yes.

Mr. Mackenzie.-And the amount awarded is about $\$ 56,000$ average.
199. By the Chairman.-Mr. Mackenzie has stated that the work on this section involves no engineering difficulties. Am I not right in thinking that you gave a very strong opinion that it was absolutely necessary that that work should be let to experienced contractors, that it was a work of such a kind that it was almost impossible to form an idea of the cost, and that you thought great care should be taken not to give it out for a low sum!?-I expressed myself in that way many times?
200. By Dr. Tupper:-WITH reference to this particular section we certainly had a specific report from you on the subject?-Quite likely.

Mr. Holton remarked,-I see in looking over those papers, that the Government rejected your recommendation, because the contractor had associated another contractor with him, which they regarded as equivalent to a new tender and therefore ruled it out. Then the contract was ultimately awarded to Brooks and Co. at $\$ 30,000$ more than Ellis and Co's tender, and a very large amount above Jackson's, that struck me in looking over those papers was the rejection of Jackson's tender after he had made good the only objection that was taken to his original tender, namely by associating, with him parties in respect of whom no complaint was made, in order to give the contract to Brooks and Co., at a higher rate.

The Chairman stated,-That was done deliberately and on principle, and we are quite prepared to maintain it was right. To allow parties who had tendered high, to come into a new contract with parties whose tender was pronounced insufficient in itself, would be an unwise principle.

Mr. Holton stated,-The Commissioners reported that, but the Government overruled the Commissioners. There seemed to be a strong desire on the part of a section of the Commissioners and of the Government to throw this work into the hands of Ellis and Co . When that attempt failed, there seemed to have been an equally strong desire to throw the work into the hands of Brooks and Co., of New Brunswick, whose tender was higher than Jackson's.

Dr. Tupper remarked,-If the hon. gentlemen will look at this question from a different stand-point, he will see a very good reason why the Government should wish to give the contract to Ellis \& Co., and that was their desire to accept the lowest tender that was at all in such a position as to receive consideration. The Commissioners having recommended Ellis \& Co.'s tender, it was very natural that the Government should wish to accept it, if sufficient securities were furnished, because it was the lowest. There was an equally good reason why the Government should overrule the report of the Commis-
sioners in favor of Jackson \& Co. It was this: The law requires that the Commissioners shall report, that the contructor has sufficient skill and ability to warrant his performing the contract before it is awarded to him. The Government were, upon enquiry, satisfied that Jackson \& Co. had not that requisite, and the proposal to strengthen themselves by bringing in a contractor who had estimated the value of the work at a very much higher rate than the party to whom it was awarded, was, in the opinion of the Government, virtually to allow new tenders to be sent in.

Mr. Holton stated,-That was done in the case of locomotives.
Dr. Tupper stated,-I think the Committee will be quite satisfied that the principle of allowing a contractor to remove an objecton to his tender by entirely changing the firm, is a wrong one. With reference to another remark that was made, I quite understand the member for Lambton taking the ground that in awarding tenders to parties at that rate we ought to have had a report from the chief engineer, and I undertake to say that that report will be found, and that he says it would be safer to regard his maximum estimate than his minimum.

The Chairman remarked,-I am pretty sure he used these very words.
Dr. Tupper further státed,-It was so important to have thoroughly skilled and able contractors, that it would be more in the public interest to regard his maximum instead of his minimum estsmate.

Mr. Holton asked,-Did not the Government overrule ofriginally the report of the Commissioners in favor of Jackson and Co., in order to give the contract to Ellis and Co.

Dr. Tupper.-They overruled it, but not for that purpose.
Mr. Holton stated,-In point of fact that was the result, Mr. Brydges alone dissenting from the majority of the Commissioners in recommending Jackson \& Co. originally.

Dr. Tupper remarked,-I was not aware of that fact.
Mr. Holton stated,--The papers show that very clearly. The majority of the Commissioners (Mr. Brydges dissenting), were in favor of accepting Jackson and Co.'s tender originally. Mr. Brydges was stronger than the other three Commissioners before the Privy Council, and they rejected the report.

Mr. Mackenzie stated,-Mr. Brydges signed it along with the others.
Dr. Tupper stated,-I was not a member of the Government at that time.
Mr. Holton stated,--Then the Government rejected the recommendation of the Commissioners in favor of Jackson and Co., and the contract was assigned to Ellis and Co., who failed to furnish their securities at the time specified. It was evidently the earnest desire on the part of the Goverament that they should get the contract, but they did not furnish their tenders on the day fixed, and their tender was inled out. The Commissioners come back to the Government and say that Jackson \& Co. have supplemented what you decided to be deficient in their original tender. They have associated with these parties in respect of whom no possible question can arise as to their capacity to fulfil the work; and the Government again ruled out Jackson and Co. First they ruled them out against the report of the Commissioners ; and secondly, when by the admission of all parties, they had supplied the original defect, they again ruled them out, and finally assigned the contract to a firm in New Brunswick at very much higher prices.

Mr. Tilley.-They were down there doing some work. I only wish we had a good many more such men there.

Mr. Crawford.-Mr. Brooke is well-known as a railway contractor. He lives in Brockville.

Mr. Mackensie. - What about Mr. Ellis's contract?
Mr. Tilley.-The contract of Ellis was overruled because the surety did not sign the paper. The Government looked over the matter, and said that as it was one in which so much money was involved, they thought that if the party did not sign, he should have an opportunity of doing so. The party wrote up, saying he was prepared to sign it.

The Chairman.-We gave him a certain number of days in which to sign it.

Mr. Tilley.-We allowed him eight days. He did not sign within that time, and the contract was awarded to another.

Mr. Holton.-Who composed the firm of Ellis and Co?
Mr. Tilley.-I heard it was Mr. Ellis and Mr. Cotton, of the Times.
Mr. Holton.-That may explain some matters of doubt.
Mr. Iilley.-Mr. Ellis is said to be a man of great experience.
Mr. Mackenzie.-Then Mr. Ellis and Mr. Cotton were the Company ?
Mr. Tilley.-Mr. Ellis was said to have taken large contracts on the Grand Trunk.
Mr. Mackenzie.-How is this fact to be explained about contract number two ? You will find in the list of tenders that of Brown, Brooke and Ryan, for the sum of $\$ 642,854$; and that of J. J. Jackson for $\$ 612,396$. The tender of Jackson was ultimately accepted. The reason given is that he was associated at the same time with Brooke and Ryan.

Mr. Walsh.-No.
Mr. Mackenzie.-Were Brown, Brook and Ryan ruled out of the contract?
Mr. Tilley.-They were never ruled out.
Mr. Mrackenzie.-Why did Mr. Jackson get Brown, Brooks' and Ryan's tender?
Mr. Tilley.-They did not get it. I may say that Brown and Brooks got it.
Mr. Mackenzie. -Then it is Brown and Brooks who are associated?
Mr. Tilley.-No; they are not associated.
Mr. Holton.-The tender was given at a higher price still to Brown and Brooks.
The Chairman.-I should like that every man on the Comnittee could have read to him the report of the Chief Engineer on that contract. I did not know any of them, but I recollect most distinctly the strong report of the Chief Engineer, pointing out the importance of that work ; the absolute necessity of not being tied down to the lowest price on that contract. These people were a good deal under the maximum, but the Chief Engineer said he would rather they should go to the maximum.

Mr. Mackenzie.-Why did the Commissioners act as they did in the case of Jackson?
The Chairmian.-They thought that the contractors were inexperienced men to undertake this contract. They had the report of the Chief Engineer, and the Commissioners decided that these gentlemen were not the men to carry it out.

Mr. Mackenzie.-Did he report as to the insufficiency of the parties?
The Chairman.-I did not say so. But he made a strong report on the necessity of putting the contract into good hands.

Mr. Tilley.-I am not quite sure when these matters were under the consideration of the Government. I think the chief engineer was asked for a report.

Mr. Tupper.-Brown, Brooks and Ryan got their original tender, and reftsed to accept other partners.

## Witness further Examined.

201. By Mr. Mackenzie.-DO you consider the engineeringdifficulties great?-There are not many greater difficulties in the province in the way of engineering.
202. The Victoria Bridge for example? The difficuities are very great, but not exactly of the same kind as those of the Victoria Bridge.
203. By Hon. Mr. Holton.-WHAT kind of work is it ?-Sub-marine work. The water is twenty feet deep, and there are twenty feet of mud under it on an average.
204. By Mr. Mackenzie.-THERE is rock under that?-We don't know whether it is rock or not. There is probably some rock, but we cannot tell what we might have to encounter.
205. They do not exceed the difficulties of the present work at Fort Erie ?-I think they do. We have a tide there.

Mr. Mackenzie remarked,-I examined the tide, and I dont think there is much to contend with.

The Chairman.-It was not so much the difficulty as the great uncertainty of its cost, and the great risk there was of taking the contract, and it was thought advisable to give it to good contractors.

Mr. Mackenzie.--I have no doubt of that.
The Chairman.--I was influenced chiefly by the report of the Chief Engineer. There is one thing I would like to mention, and I think Mr. Walsh, the Commissioner, will confirm-it. These matters were discussed between the Council and the Commissioners, verbally. I would like to ask Mr. Walsh whether the commissioners were not convinced that it was dangerous to admit new partners into the company. They admitted in principle that it was dangerons to admit such persons.
206. By Mon. Mr. Holton.-I would like to ask Mr. Walsh whether the Commissioners have not uniformly given the contracts to parties at their own tender?-Yes.
207. Why did you not do the same in the case of the locomotive contracts?-The cases are not parallel. For a twenty mile section we have usually fifty or a hundred parties tendering.
208. You have twenty tendering for a locomotive? It was a question of getting the work at a fair price. The construction of locomotives in this country was part of a public policy?-No.
209. Was it laid down in the Act? The Act requires us to get good work.

Hon. Mr. Tilley here read a portion of Mr. Fleming's report concerning the contract, under debate. The report stated that in this case there was more than ordinary risk. Owing to the costly nature of its plant, and the great difficulty of submarine work to complete this important work, the contract should be placed in the hands of good men, both experienced and competent. The prices should be such as would cover all risks and secure me remuneration. The prices should rather approach the maximum than the minimum. This report was dated in August.

Mr. Mackenzie.-The tenders were given in July.

## Mr. Fleming's Examination continued.

210. By the Chairman.-WHAT is the date of that report?-Haliax, 8th of August.
211. By Mr. Walsh.-DID you not specify the kind of plant?-In supplying contractors with information, I endeavored to point out the magnitude of the work, so as to shew the contractors that the work was very heavy. I pointed out to them amongst other things that they would require two steam tugs; four to six steam dredges, syphons, submarine armour for drivers, steam shovel, hydrants, etc.
212. By Mr. Mackenzie.-ARE there not great facilities there for the work?-There is abundent material, and the whole coast of the river, down to the sea, is a free-stone foundation. There is not much difficulty in getting timber and stone. The concrete is to be made from cement brought from England, and granite can be had from the Baie des Chaleurs.
213. It occurred to me that I never saw any place where more material could be procured; the tide is not high, the current not strong, and the bottom is known?-Still there will be many difficulties to contend with in building the bridge.
214. I know it is a work of extent ?-The submarine work is very ticklish and may cause more difficulty than we think.
215. By Hon. Mr. Anglin.-HAVE you not heard that the soundings this winter showed more mud?-Yes, it may be so, but I don't imagine the difficulties will be increased very much.
216. By Mr. Mackenzie.-YOU stated the other day, in describing the road, that it would pass through a densely wooded country. How is it, then, that such prices are paid for ties?- I cannot account for it.
217. Would the inference not be that the timber is very scarce there?-I don't think the people there have any idea of what ought to be the price of ties. We will have to cheapen them.

Mr. Walsh remarked,-In Nova Scotia ties cost less than we are paying. It is a new business for the people along the line, and they want to be on the safe side and charge high. I know we can get them cheaper.

Mr. Mackenzie.-My own experience was contrary to that of Mr. Fleming's.
Mr. Walsh.-On Friday last a question was put to me by Mr. Holton, and I was asked whether, on giving a contract to the Kingston Locomotive Company, I was not aware that one of the commissioners was interested in that company. I said I was not aware of it. I was asked whether it was not my impression; I said I remembered reading a report of a Grand Trunk meeting, in London, in which the charge was made in the presence of Mr. Brydges, that he was interested in the Kingston works, and my recollection of his answer was that he had sold out his interest. I see that Mr. Brydges has just entered the room, and think it would only be right to him that the question should be repeated.

## C. J. Brydges, Esq., one of the Commissioners, being present, was Examined.

218. By Hon. Mr. Holton.- I will repeat the question if there is necessity for it. (To Mr. Brydges.) Is it or is it not true that you are a shareholder in the Kingston works? -It is not true; I was a shareholder, but I transferred my share to a party in Montreal.
219. Who was the party ใ-I will tell you, though I dont know if it is necessary.
220. It is a public company, and this information can be given ?-The name of the party is Mr. George Stephens. I disposed of the last of my shares to him two years and a half ago.
221. My recollection of the proceedings at the London meeting was this : I thought that Mr. Brydges stated that the Kingston Company was the only one in which he continued to have an interest, and that he gave reasons for having associated himself in the enterprise. Such is my recollection?-The works at Kingston were originally the property of Mr. Morton, and used as. a foundry. In 1854 or 1855 he determined to make some some additions ; he bought machinery, and got a contract from the Grand Trunk for twelve or fifteen locomotives.. It grew into a locomotive establishment. After the Grand Trunk got all they wanted they took no more, and the establishment fell into disuse. After Mr. Morton's death the property was mortgaged to the Bank of Upper Canada, and was one of their assets. The Grand Trunk not wanting to retain it pirmanently, offered it for sale, and I was one of the parties, who, at the price fixed, purchased it. There were five of us. The place was used for the manufacture of engines for steamers, and one or two steamers were built there. It was used for a while for the manufacture of locomotives, and some were built there for the Great Western, the Grand Trunk, the Northern, the Brockville and Ottawa, and the Prescott and Ottawa, and some engines were built there and sent to Nova Scotia. The engines ordered for the Grand Trunk were six, which were ordered because the establishment in the United States was taken possession of by the United States Government, and the contract for the six engines could not be filled. These were the only engines made there for the Grand Trunk. A charge has been made against me that I was interested in the Kingston works in several important contracts; but what I have stated is the true nature of the case.

Mr. Holton remarked,-No such chàrge has been made here.
Mr. Brydges.-Four or five years ago I sold a portion of the shares; and two years and a half ago disposed of the balance, and have no further interest in it.

Mr. Holton.-I think that Mr. Brydges will admit that it is better this matter has been cleared up; the fact of his having dispossessed himself of the interest, not having been generally known.
222.-Do you know anything of the standing and character of the Yorkshire Company.?-Yes.
223.-What is their character and standing? It is one of those companies that was brought into existence four or five years ago. It has not been rery successful, and has had to submit to very large diminutions, It has made a good many engines-some of them have gone to Russia, and some have been used in England. Two years ago, they made me an offer for the Grand Trunk, when I was in England, but I was satisfied we could not get efticient engines for the prices they asked.
224.-Do you think they were not able to fulfil a contract for ten or fifteen engines? I don't think they could.
225.-You don't think their pecuniary resources would be equal to the loss they would suffer on such a contract ? - I know something of them and don't think it would.
226.-What as to the Rhode Island Company?-I know the Rhode Island Locomotive Company. It is very fair, but not equal to some others.
227.-What as to the Patterson Company?-They are good.
228. -The Patterson Company tendered much lower than it appears was awarded They tendered for $\$ 12,000$, delivered at their works.
229.-The tenders are before us in accordance with the contract?-The tenders were to be delivered at their works.
230.-Did you understand that the contract was for locomotives to be constructed in part in Nova Scotia?-No.
231.-Did you consider the Intercolonial Iron and Steel Company competent to f ifil their contract?-No, for they had no means at all of manufacturing the articles wanted. I understand that they were to get the works from the Yorkshire Company: if they got the contract.
232. By the Chairmaia.-YOU think American engines would cost more?-I do. I bought at that time six engines in the United States, and they cost about $\$ 14,000$ apiece.
233. Dythe Hon. Mr. Holton.-THERE is the Rhode Island tender. It is for forty engines at $\$ 12,000$ a piece to be delivered here under the conditions of the contract ?-As a matter of fact they told me themselves that they did not expect to pay any duty.
234. It does not appear in the papers. Then here is the tender from the Grant Locomotive Works on the same conditions?-There is no doubt about the fact that they did not intend to pay duty.
235. What about the Yorkshire Company ?-My impression is that they did not expect to pay duty.
236. Their tender was rejected because it was too low?-Yes; if duty was paid the contract was too low.
237. I sea it stated that you accepted certain tenders, because you thought it desirable to encourage home manufactures, taking upon yourselves to decide a question of publie policy?-It was subject to recommendation.

Mr. Holton.-I will ask Mr. Walsh whether he was instructed by Government to take such consideration into account, or whether he found any authority for such a course in bis commission?-I suppose we had authority to make any recommendations we ploased.
238. I will also ask Mr. Walsh whether the Commissioners considered it fair to invite people aboard to make tenders which were not to be considered on their merits, but with reference to the interest of the people of this country. In other words, if the contracts were to be awarded from considerations of getting the work done within our own limits, would it not have been fair to have so informed the gentlemen from abroad ?-We did not advertise in the United States, only in the Canadian papers.

Mr. Mackenaie remarked,-I think there was an advertisement in one of the New York papers.
239. By Hon. Dr. Tupper:-THE member for Chateaugay again and again dwelt upon the point, to which he evidently attaches some importance, of these tenders for locomotives being given out by private bargain. 1 want to ask Mr. Brydges, who has had very extensive experience in making contracts by tender, whether he considers it a private bargain if he invites public tenders, and subsequently arranges with parties who tendered to do the work, at a lower price than they tendered?-With Boards of Directors and Railway Managers it is an invariable rule in dealing with matters of that sort to make private arrangements, even after having invited public tenderis in regard to contracts for large works.
240. By Mr. Mccekenzie. - DO you say it is an invariable rule?-It is an invariable
rule for public companies to make private bargains after they have received tenders for works.
241. By Hon. Dr. Tupper.-THE question I put was whether it was not considered perfectly right to give the work to parties who have tendered, at lower rates; than their tenders?-Certainly ; it is done every day in England.
242. By-Hon. Mr. Holton:-PROVIDED that that price is lower than that of any of the parties tendering? - I have known a great many instances where tenders have been asked for pieces of work of various sorts, and persons who have not been considered satisfactory parties have sent in tenders at low prices. In such a case I have over and oyer again known the contract to be given to other parties, who were known to be satisfactory, provided they would take it at the low price offered by the other parties.
243. Mr Walsh stated in reply to a question of mine that the Commissioners in according contracts for works of construction, had uniformly accorded them to some of the parties tendering at the prices tendered for. They have frequently gone over lower tenders and selected higher ones, but uniformly accorded the contracts to some of the parties who had tendered and at the prices tendered for. Is that the case?-Certainly.
244. Why did you not apply that principle to the letting of contracts for rollingstock: I I didn't think the circumstances in the two cases were at all the same.
245. By Mr. Mackenzie.-IS it not the case that in letting contracts the lowest tender always gets the contract unless there are some special reasons for refusing it?-I have known a great many cases, where men tender at prices known to be so fari below the cost at which the work could be performed, that the tender was not accepted, however responsible the men may be.
246. By Hori. Dr. Tupper.-HAS the country not suffered injury from the Commissioners accepting tenders that were lower than the actual cost of the work?-No doubt of it at all.
247. Mi. Mackenzie.-WHAT is the cause of that?-When the first tenders were asked for, I for one believed that many of the tenders received were much below the cost at which the work could be done. But, I felt very strongly that it was ahsolutely necessary that in the commencement of a work of that sort, with so large a number of tenders at such various prices, there should be no possible question but that we were going to begin by letting everybody understand that the contract should be given to the lowest tender. The result was that five out of seyen of the contracts wiere broken.
248. Because they were too poor to carry out their engagements, was it not? I think Mr. Elliot had means enough to complete his contract if he had had sufficient price for it. 249. Why then did the Commissioners allow him to withdraw from the contract?We took it out of his hands because he was not finishing it in time.
250. Did you have no means to enforce the contract? You stated distinctly that you believed Mr. Elliott had means to perform his contract. Why did youn not enforce it?He had means enough to start his contract. Every contractor ought to have enough to carry on two or three months, and after that he gets enough out of his contract to carry it on.
251. My question is did you believe any of those parties tendering had means to complete their contract?-If you mean had they the means to carry on their contracts without getting anything paid on them, I say at their prices they could not do it. $\cdots$ And as a matter of fact five of these contractors for the first part of the work had to withdraw.
252. Did any of these parties whom you gave contracts stand in such a position that you could not enforce the contracts?-They were not finishing their contracts. I do not believe they had money, enough to supplement the deficiency of price of their contracts.
253. DO you believe the Yorkshire Company could not have finished their contract at the price they tendered for?-I do not believe they could have finished their contracts in time.
254. I want a direct answer. Could not they have been forced to perform their
contract?-I do not think we could have enforced it. The Company has been almost in liquidation, and had to reduce its capital.
255. An element then in your calculation was that this Company was in an insolvent state?-Yes. They offered to make me engines of a precisely similar kind at a higher price.

The Chairman remarked,-There was an expression used by Mr. Mackenzie that I did not understand Mr. Brydges to have used, that is, insolvency. Mr. Brydges said the Company was almost in a state of liquidation. He knew that they had to reduce their capital in consequence of losses. It does not by any means follow that they are insolvent.

Mr. Mackenzie said,-Mr. Brydges stated distinctly that it was a consideration with the commissioners that they did not beliere that this company had the money to finish their contract.

Mr. Brydges.-What I say is that at the price they offered they could not have delivered the engines in a satisfactory coudition.
256. By Mr. Mackenzie.-I asked you distinctly, did you believe you had the means to enforce this contract, and you said no?-Yes ; I do not think we could have enforced the contract if they had broken down.
257. By Hon. Mr. Holton.-AND you thought there was a danger of their breaking down?-Yes, I have had a good deal of experience in these matters, and have found much difficulty in getting engines in time.
258. By Hon. Mr. Mackenzie.-NO doubt this Company, as well as the large American Companies, could manufacture engines much faster than small establishments? No doubt about that.
259. And they can afford to build them cheaper than small shops?-Yes; but I do not think that consideration could make up for the difference between their prices and the others.
260. By Mr. Gibbs.-IT was stated by Mr. Walsh that the probability was that this work would not have been performed by the Yorkshire Company, but handed over to Mr. Levisey, of Nova Scotia, they providing him with the material?-I have no doubt about that.
261. By Hon. Mr. Holton.-THERE were two tenders sent in, one from the Yorkshire Company and one from.Mr. Levisey for $\$ 12,500$. Mr. Brydges stated in reply to me that it was understood that Mr. Levisey, if he got the contract, would get the greater part of his utensils from the Yorkshire Company. Then I followed up that question by another, whether the same thing was true as respects the Yorkshire Gompany's tender-whether that was to be executed in Nova Scotia by Mr. Levisey; and he said no, that it was true with regard to Mr. Levisey's contract, but that it did not apply to the Yorkshire Company?-I stated my belief that if the Yorkshire Company's tender had been accepted it would have ended in their declining the contract and putting it into the hands of Mr. Levisey. It was that belief that induced me to take the course I did.
262. By Mr. Lawson.-I understand you say there was a connection between Mr. Levisey and some company in England?-I meant the Yorkshire Company. I have no doubt it would have resulted'as I stated.

Mr. Walsh remarked,-There is another question which I wiil simply indicate and leave the Committee to decide whether they will go into it to-day or not. On Friday reference was made to the purchase of the Eastern Extension Railway, and the opinion was expressed that we had paid too much for it. I learned on Saturday that Mr. Grant, the chief engineer of that railway, was in town and $I$ asked him to have the kindness to be present here to-day. I see he is in the room and I would like to ask him what that road cost the company. The papers on the table show what we purchased it at.

> C. H. Grant, Esq., Civil Engineer, Examined.
263. By Mr. Walsh.-WHAT did the Eastern Extension Railway cost your com-pany?-The cost of the line to the company- $37 \frac{1}{4}$ miles-is up to the present time $\$ 1,400,000$.
264. By.the Chairman.-You were acting for the company. Were you satisfied with the price the company got for the line?-Certainly not; and I have not ceased to bring it under the notice of the Government that they paid very much less for the line, than the cost of it. In fact, we were $\$ 300,000$ out of pocket by the transaction.
265. By Hon. Mr. Holton.-WERE you consenting parties?-We were forced to consent.
266. By whom?-By the Government. They threatened to build a competing line which would have made my line utterly valueless, and, therefore, I was obliged to sell.
267. By Mr. Mackenzie.-WAS not this proposed line ten miles shorter?-It may be three or four miles shorter; certainly not ten.

Mr. Mackenzie.-Mr. Fleming stated it was eleven.
Mr. Fleming explained,-Three lines were surveyed ; they were respeotively about 261, 27, and 29 miles (the two last were from Painsec Junction to the Nova Scotia boundary) as against $37 \frac{1}{4}$ miles by the line constructed.

Mr. Mackenzie.-In that case, if this line had been adopted, we would have had eleven miles less than by taking Mr. Grant's line.

Mr. Fleming.-Yes; from eight to eleven miles.
Mr. Grant.-I think when you consider that the line runs to Moncton you will find that there is not a difference of ten miles.

Mr. Fleming.-I am quite certain my figures are correct.
Mr. Mackenzie.-So that even if we accepted Mr. Grant's estimate we could have built our own line at a less rate than would have been paid for his.

The Chairman.- But you dont take into consideration the question of breach of faith. The Government of New Brunswick, which was afterwards represented by the Dominion Government, induced those persons to build the line. Whether the question of breach of faith was a proper subject for consideration or not, no doubt it very materially influenced the commissioners and the Government.

## Witness further Examined.

268. By Hon. Dr. Tupper.-I would like to ask Mr. Grant this question-whether a single dollar could have been raised in England for the construction of the line if they had supposed it possible that the Government would build a competing line?-Certainly not; when they took the contract it was for the whole distance between Truro and Moncton; and was of such a nature that the through traffic from Halifax as well as the local traffic would pass over the line. By building another line, the Government would have taken the through traffic away from us, and made our line a mere branch line carrying only local traffic. In fact it would not have been worth the rails.
269. Were you not obliged to build the line, where it was located by the New Brunswick Government?-Yes.
270. You were compelled to go round by Dorchester?-Yes ; the contract specified that the line must go between the Dorchester Island and the Dorchester Court House.
271. By the Chairman.-HAD not your Company a claim against the Government on account of the line between Amherst and Truro, which claim was cancelled by the purchase of the Eastern Extension?-I cannot admit that.
272. By Mr. Mackenzie.-WHAT was the amount paid for your line?- $\$ 884,000$.
273. Then according to Mr. Fleming's calculation of the distance, and according to the cost per mile of the Eastern extension as stated by Mr. Grant, we could have built our own line at a cost of only $\$ 50,000$ more than we paid for that line ?- $\$ 53,000$ is a mere bagatelle, compared with the extra traffic you would receive by taking our line. The local traffic is very large.

Dr. Tupper remarked, -Mr . Fleming's line would have avoided the centres of population.
274. By Mr. Bolton.-DID you not incur a great deal of expense on account of a very severe storm?-Yes, a very heavy expense in repairs of damages caused by the storm.

The Government have paid us a portion of the expense; and we have a claim against them for the remainder.
275. By Mr. Mackenzie.-WHAT right had you to repair the damages if the line was sold ?-It is so difficult to correspond in the Lower Provinces with, the Government, and as the public must have accommodation, we did not hesitate to set to work and put the line in order. The storm occurred in October, and it was on the 18th September that the Government assumed the working of a portion of the line.
276. By Hon. Mr. Tilley.-AND we paid for the damages on that portion, feeling we had a right to do so ; on the other portion we did not pay for the damages. That is the position in which the matter stands?-That is the Government view of the question. My views are entirely different.
277. By Hon. Mr. Holton.-I would like to ask Mr. Grant a question about these locomotives that we have been considering. Do you happen to know anything of the character and standing of the Yorkshire Engine Company?-I have no precise knowledge, I only know one of the parties concerned in it. I know that they had some little difficulties at first, but that I do not think of much consequence, because I know a great many engine companies that did not pay at the start. I believe it is understood that any engine company might vote off half his capital and appear better for it. It does not necessarily follow that it will be finally insolvent.
278. Do you happen to know anything of the character of the engines turned out by this Company? I do not.
279. By Mr. Bolton.-DID you buy some locomotives yourself from the Portland Locomotive Company?-I did; they were to bedelivered-one at $\$ 12,300$, the other at above $\$ 12,000$; one had 16 by 24 cylinders, and the other 15 by 22.

Mr. Mackenzie to Mr. Brydges.-What is the size of your cylinders.?-16 by 22.
Witness remarked,-I must say my engines were not equal to those built for the Intercolonial line.
280. By Mr. Craurford.-YOU know the specification for engines for the Intercolonial. What is your opinion as to the price, $\$ 12,500$ ?-I think that is a sufficiently low price. I would be ready to buy them for that, without asking for tenders.
281. By Hon. Mr. Holton.-BUT having asked for tenders as a manager of a railway, if you got tenders from responsible parties competent to turn out satisfactory engines at $\$ 12,000$, would you prefer to accept such tenders rather than tenders for $\$ 12,500$ ? Certainly I would.
282. By Mr. Mackensie.-TO make the case more pointed, stappose a lower tender was received from the YorkshireCompany, would you consider that there was any risk in accepting their tender?-In deciding upon locomotive tenders, there are many things to be considered. One great point I would consider in letting contracts for locomotives, would be the encouragement of local manufactures, so that I might be able readily to get duplicates.

Mr. Holton.-The question is, what would you do as a railway manager, not as a politician.

Dr. Tupper.-He says it is very important to be able to get duplicates. That was his reason.
383. By Mr. Mackenzie.-WHAT I wish to ask is this: Suppose you had to furnish this road with rolling stock, and having advertised for tenders, you received the lowest tender from the Yorkshira Company, would you give them the contract?-That is a rather difficult question, because it depends upon so many other considerations. What I think very important-more so than the question of a few dollars in price-is to get an establishment where you can get duplicates of all the parts.
284. In this case a Glasgow Company received a contract, and I presume it is just as easy to get duplicates from Yorkshire as from Glasgow. Would you have any more hesitation in granting a contract to the Yorkshire Company than to Dubbs \& Co., of Glasgow?-I speak under correction, because I know verylittle of either ; but of the two I would prefer thè Yorkshire Company.

Mr. Holton moved;-That the evidence respecting the Intercolonial Railway, as far as it has been taken by this Committee, be reported to the House.

Dr. Tupper seconded the motion.
Mr. Holton remarked,-Of course the object is obvious, and I may as well state it. We have a good many references to what has passed in this Committee in our debates in the House. These references are entirely irregular. Now, when the next debate comes up on the Intercolonial, it is only right that every member of the House should be in a position to refer to what has taken place here, in the same intelligible manner that the members of this Committee could.

Mr. Gibbs.-Is the evidence to be reported without being submitted to those who gave it; or are we to take it for granted that what is taken down is correct? Another question is whether this evidence should be reported before it is completed. Mr. Walsh has stated that correspondence exists respecting the point raised whether certain tenders were made subject to duty. I think that should be brought down, before the evidence is reported to the House.

Mr. Mackenzie.-We have the tenders and the report of the Commissioners in Council.
Mr. Walsh. - I think there was correspondence on the point beside that.
Mr. Gibbs.-Mr. Brydges also states that he was informed by the parties that they did not expect to pay duty.

Mr. Holton.-Conversation would not be evidence. Mr. Walsh thinks there is some correspondence. If there is any, it ought to have been here before now. All these points came up at the last meeting of the Committee, and Mr. Walsh was requested to bring all the papers with him, and he has done so.

Mr. Gibbs.-If the parties told Mr. Brydges that their engines are to be delivered in bond, that is sufficient.

Mr. Brydges. -They came over here to try and induce me to buy engines from them for other purposes, and the Rhode Island establishment, the Yorkshire Company and all the American Companies told me that they expected in making their tenders that they would not be called upon to pay duty. That was about the time they sent in their tenders.

Mr. Holton-Is the Committee really to anderstand that the commissioners, as. a body responsible to the Government, and the Government to the House, decide matters of this kind upon the verbal report of what these parties said to Mr. Brydges when visiting him on entirely different business?

Mr. Walsh.-I have already stated my impression that there is correspondence bearing out what has been stated, that these manufacturers expected to deliver in bond, and did not expect to pay duty. I remember that Mr. Bellhouse, of Montreal, appeared as the agent of some of these Companies, and I would like to ask Mr. Ryan whether he knows from him what his expectation of these tenders was.
-Mr. Mackenzie. - If there is any such correspondence, send it down.
Mr. Holton.-Mr. Bellhouse's tonder is here and speaks for itself. Mr. Ryan could say no more than it.

Mr. Walsh.-I think Mr. Bellhouse represented some of the other parties as well.
Mr. Holton.-There can be no objection in the world to the correspondence which Mr. Walsh refers to, being included in evidence to be reported to the House. We cannot have a meeting of this Committee again before Thursday, and it is very desirable that the order to report should be made to day. Mr. Walsh can, with the consent of the Committee, put in the correspondence relating to this matter on part of the evidence produced to-day, and it will go to the hiouse along with the rest.

MIr. Walsh remarked,-I think it is important that the gentlemen examined here today should have the opportunity of looking over their evidence before it is submitted to the House, and submitted the following letter :-
(Copy.)
My Dear Sir,-I sont in a tender for locomotives on behalf of my brother, repre-
senting the Yorkshire Engine Company, which, to prevent misapprehension, I may just say was inclusive of duty. I intended mentioning this to you yesterday, but had not an opportunity.
A. Walsh, Esq., M.P., $\underset{\& c ., ~ \& c ., ~ \& c . ~}{\text {. }}$

The Chairman. - It may be understood that although the order is made to-day the report may go in tomorrow, and the gentlemen who have given evidence may look over the evidence with the Clerk.

This was agreed to.
Mr. Bolton.-I would like to ask Mr. Grant, if; from his knowledge of railway matters in England, he knows whether preference is given to steel over iron rails?

Mr. Grant.-My attention has not been specially directed to the subject, but I see from the half-yearly reports of the large English Companies, that they renew principally with iron rails. The question was asked at one of those meetings, why it was, that when steel was so popular at the present time, they were renewing with iron. The answer was, that they considered iron more economical, and that although they had plenty of capital they thought it would be a waste of capital to use steel, except when the grades were heavy or near stations.

Mr. Walsh.-I think there is no objection to Mr. Ryan's making the statement I asked for.

Mr. M. P. Ryan.-I must confess I know very little about the matter. I had a conversation with Mr. Bellhouse at Ottawa, and my impression was that he was acting for some English Companies. In the coinversation I had with him he distinctly led me to understand, that, inasmuch as the engines were for the Government of Canada, they would not be subjected to duty. I thought that if this line of policy was to be pursued, a very great injustice would be done to our own people, and so strongly did I feel upon the subject, that I sent a communication to the Ministry, urging that all outside parties should be subjected to the payment of duty.

Mr. Holton.-Mr. Bellhouse's own tender is for engines in bond. There is no doubt about that.

The motion to report the evidence to the House was then carried, and the Chairman declared the meeting adjourned till Thursday, subject to the call of the Chair, at an earlier period if thought necessary.

## Committee Room, Monday, 3rd April, 1871.

The Committee met.

The Hon. Sir FRANCIS HINCKS, K.C.M.G., C.b., Chairman.

Hon. Mr. Anglin,
Hon. Sir A. T. Galt,
Hon. Mr. Holton,
Hon. Mr. Irving,
Hon. Mr. Tilley,
Hon. Mr. Tupper,
Mr. Blake,
Mr, Bolton,

Mr. Carmichael,
Mr. Crawford (Leeds),
Mr. Fortin,
Mr. Gibbs,
Mr. Keeler,
Mr. Lapum,
Mr. Lawson,
Mr, Macdonald (Glengarry),

Mr. Mackenzie,
Mr . McConkey,
Mr. Morrison (Niagara),
Mr. Pope,
Mr. Ross (Prince Edward),
Mr. Ryan (King's, N.B.),
Mr. Walsh,
Mr. Young.
The Committee proceeded to the consideration of the Public Debt.
John Langton, Esq., was in attendance and Examined.285. By Hon. Sir A. T. Galt.-BE pleased to state the particular items under theheads of "Liabilities to Provinces" and "Debt due by Provinces" in the Statement of theFinancial position at 1st July, 1867, and 1st July, 1870. The liability to the ProvincesJuly 1st, 1867, is thus made up :-
Grammar School Income Fund ..... \$ 18,167 65
Balances of Appropriations. ..... 225,547 38
Credited to Ontario$\$ 243,71503$
Court Houses, L.C. ..... $\$ 4,06120$
Montreal District Criminal. ..... 3,912 05
Balances of Appropriations ..... 107,133 73
Credited to Quebec ..... 115,106 98
Nova Scotia excess of authorized over actual debt ..... 1,260,527 30
953,943 61
2,573,292 92
The amount due by the Provinces, July 1st, 1867, consisted of the debt of Ontario and Quebec, over $\$ 62,500,000$, viz :- $10,045,53363$
The liability to the Provinces, July 1st, 1870, is thus mäde up :-

Nova Scotia, excess of authorized over actual debt ..... 467,151. 33
do short, paid on account of subsidy. ..... 3,061 93
$6,224,15932$
The amount due by the Provinces, July 1st, 1870 , is thus made up:-
Province of Canada, debt account. ..... 10,504,355 49
Province of Ontario ..... (a.) $\left\{\begin{array}{r}3,447,348 \\ 2,510,231 \\ 79\end{array}\right.$
Province of Quebec.
575,298 29
Province of New Brunswick, debt account
156,349 81
Province of Nova Scotia, suspense account (b.)
\$17,193,583.67
(a.) In Ontario and Quebec we know the amount of the subsidy due to the two conjointly, but we do not as yet know how much is payable to Ontario, and how much to Quebec. There are also amounts received and payments made on account of old accounts in the books of the late Province, but which have been declared by the British North America Act to be just assets of Ontario and Quebec. Until the arbitration is completed we do not know how these accounts are to be divided, and we, therefore, keep them under the general head of Special Accounts, Ontario and Quebec. Against these, amounting, July 1st, 1870 , in the aggregate to $\$ 5,753,94606$, we pay to Ontario and Quebec such sums as they from time to time require. Up to July, 1870 , we had paid them altogether $\$ 5,957,58008$, or about $\$ 200,000$ in excess of what is due to them by our books, but the whole account will have to be revised.
(b.) Upon the ground that many of the Nova Scotia notes may never have to be redeemed and that many of the Savings. Banks' depositors may never be heard of, 10 per cent. upon each of these accounts was put into a Suspense Account (together $\$ 125,054$ 61) upon which no interest was to be charged in the meantime in estimating their debt. As
to the Province Notes which are being rapidly redeemed the real amount will soon be ascertained, and as to the Savings' Bank, I have prepared a method of dealing with the suspense account which is included in the Savings' Bank Bill now before Parliament. Should any of this amount become ultimately chargeable on the Dominion and so be taken out of the assets, the same amount will be deducted from the balance of the Nova Scotia debt which now appears as a liability. In the year 1869-'70 a further Suspense Account was brought into the books, making the whole $\$ 156,349$ 81, viz., an amount paid Mr . Fleming on his contract, which I believe to be properly chargeable against Nova: Scotia, but the matter is still in doubt. If the charge against Nova Scotia is not sustained it will of course increase the net debt by that amount.
286. Will the item $\$ 6,224,159$ "Liabilities to Provinces" 1st July, 1870 , he hereafter credited against the item of $\$ 17,193,583$ "Debt due by Provinces?"-Not exactly. The liability on account of Ontario and Quebec subsidy and Special Accounts Ontario and Quebec, is an offset against the accounts of Ontario and Quebec. The Nova Scotia Suspense Account for Notes and Savings' Banks, will be an offset against the Nova Scotia Debt Account or against Notes or Savings' Banks; we do not know which at present. But the liability of the Dominion to Nova Scotia on its Debt Account, is not an offset against the liability of Ontario and Quebec, and of New Brunswick, to the Dominion on account of their debt.
287. The difference between the "Liabilities to Provinces" and "Debts by Provinces," at the respective dates of 1st July, 1867, and 1870, is stated at $\$ 2,497,183$. Explain how this has arisen?-The increase in the assets connected with the Provinces arises mainly from expenditure by the Dominion.

We have now paid the debtwoowed Ontario and Quebec, July, 1867\$ 358,822 01
We have charged to the debt they owe us........................... $458,821.86$
We have paid them beyond what their subsidy and special accounts amount to......................................................
We have reduced the debt we owe Nova Scotia...... $\$ 790,31404$
And by a further expenditure not yet charged...... 31,29520
203,634 02

821,609 24
We hold in suspense an amount which if ever paid will go in
further reduction of the debt to Nova Scotia......................... 125,05401
And whereas we formerly owed New Brunswick $\$ 953,94301$, it
now owes us $\$ 575,29829$ making a difference of.................. $1,529,241.90$
Total difference.
$\$ 3,497,18364$
In so far as this has arisen from expenditure, it has of course either added to our debt or reduced other assets in the same proportion.
288. Do you regard the "Debt due by Provinces" deducting the " Liabilities to Provinces" as actual asset, amounting on 1st July, 1870, to $\$ 10,969,424$ available to meet Public engagements?-Most certainly. The burden of a debt consists in the interest which it bears, and as the $\$ 10,969,424$ which, on the balance, the Provinces owe to the Dominion bears $\delta$ per cent. interest, it thereby relieves us from the pressure of so much 5 per cent. debt which we owe elsewhere. There are only two exceptions to this. If we had not placed $\$ 125,05401$ in the Nova Scotia Suspense Account, we should have had to pay them 5 per cent. on so much less, and as the nominal asset bears no interest, we lose that amount with no corresponding gair; but this amount was placed in suspense upon the supposition that an equal amount of the debt assumed with Nova Scotia would not cost us anything, and with the understanding that-to any extent which it did cost us anything, we were to deduct so much from the interest payable to Nova ScotiaThe other exception is the $\$ 953,94361$ of which the debt to New Brunswick originally consisted, which bore no interest. It was an amount which we were pledged to pay and we have paid it, receiving no interest for what we have paid, but for everything beyond that which we have paid for New Brunswick we shall receive 5 per cent.
289. Can the Dominion require payment for the Capital so due by the Provinces ? Only partially so. While Ontario and Quebec owe us $\$ 10,504,355$ 49, we owe them on account of their Trust Funds $\$ 3,843,11617$. As soon as it is ascertained how the debt is to be divided we shall, I presume, write the one off against the other. The $\$ 203,63402$ which we appear to have over paid Ontario and Quebec together on their subsidy account can, of course, be recovered when a settlement of accounts take place. But even if these four millions were not so struck off our debt, it appears to me to be an equally good assot as it bears 5 per cent interest, which we have a right to deduct and do deduct from the subsidy.
290. Has the sum of $\$ 10,960,424$ been increased or created-except under the provisions of the British North American Act, and the Act granting additional aid to Nova Scotia? - All the items included amongst debts to the several Provinces arise out of the British North America Act or the Act giving additional aid to Nova Scotia.
291. In this case the change in these items since 1st July, 186 ${ }^{\circ}$, has not affected the position of the Dominion-as regards its engagements to the public-except by increasing its liabilities in order to provide the means whereby said increase of $\$ 3,497,152$ has been provided?. The position of the people of all the Provinces now constituting the Dominion has not been changed as regards its engagements to the public by the creation of these assets, and inasmuch as the increase of these assets has mainly arisen from expenditure for Public Works, the general debt of all the people of the Dominion has been increased. But if the position of the Dominion, apart from the Provinces, is taken into*consideration, these assets have materially affected it. By the British North America Act the Dominion assumed the liabilities of the several Provinces and the charge of expenditure of general interest, and to meet local expenditure it surrendered certain local revenues, and agreed to pay large sums in addition às subsidies.. The Dominion is thus responsible for all the debts which all the Provinces owed, and it is quite probable that the subsidies it has to pay and the local revenues and assets which it has resigned more than counterbalance the local expenditure from which it is released, and it may possibly be less able to meet the charges of the unitéd debts than the individual Provinces were. But suchbeing the provisions of the Act there can be no question that, as far as the Dominion is concerned, that portion of the original debt, the interest of which the Provinces are bound to repay, is a legitimate offset from the debt for which it is primarily responsible; and that the three and a half million dollars by which the gross debt has been increased for Provincial purposes since Confederation is no real increase to the charges upon the Dominion, as long as the several Provinces have to repay the interest on that amount.
292. Omitting all sums due to or by the Provinces-state the balance of net debt at 1st July, 1867 and 1870?-If all the Provincial items are omitted on both sides, the increase of the net debt since Confederation would stand thus:-

> Net debt, July 1st, 1870........................... \$78,209,742 45
> Provincial assets. . . . . . \$17,193,583 67
> Less liabilities......... 6,224,159 32

$$
10,969,42435
$$

$\$ 89,179,16680$


But such a statement would give a very erroneous view of the real increase of the net debt of the Dominion, because of this sum $\$ 3,497,18364$ is an amount upon which the Dominion can recover the interest from the Provinces.

34-27
293. In the item of "Sinking Funds, \&c.," 1st July, 1870, you include $\$ 2,076,076$ due by the Great Western Railroad,-was not this debt an asset at 1st July, 1867?-In the item $\$ 13,241,26617$ "Sinking Funds and other Investments," the sum of $\$ 2,076,17608$ is included, being the balance of the Great Western Bonds held by the Dominion, July 1st, 1870. The capital of the original debt of the Great Western, $\$ 2,810,500$, is similarly included in the $\$ 5,785,78230$ Sinking Funds and other investments, July 1st, 1867.
294. Has not the sum of $\$ 558,05628$ been received in cash on account of the Great Western debt since 1st July, 1867, and been included as ordinary income, thereby reducing the value of the asset as it stood at lst July, 1867 ? $\$ 558,05628$ was received from the Great Western in 1867-68 and 1868-69, on account of interest on the original loan, but it did not reduce the value of the asset as stated July 1st, 1867, because the capital is there only included.
295. Is the Great Western debt included in the sum of $\$ 5,185,78230$ stated as "Sinking Funds and other Investments" at 1st July, 1867?-The capital of the Great Western debt is included in that amount, and on that capital $\$ 421,576$ interest had accrued from Confederation to the date of the compromise with that company.
296. The net debt-inclusive of the debts to and by the Provinces-has been increased from $\$ 83,200,882.08$ to $\$ 89,279,166$. The difference between your report shewing the increase to be $\$ 2,481,10108$, being caused by the changes in the Provincial debt, items on" which the Dominion charges interest but cannot demana the principal ?Yes. During the three years the balance of the debts due by the several Provinces to the Dominion had increased $\$ 3,497,133$ 64, mainly in consequeuce of expenditure by the Dominion on which the Provinces were to pay 5 per cent. interest; but the principal of which cannot bo demanded from them. I cannot, however, draw the distinction, which seems to be made by the question, between a debt repayable with interest at some definite date, and a debt on which intorest alone can be exacted. They are both debts. No date of redemption is fixed for a very large portion of the debt of Great Britain, but no one has ever thought of excluding consols from the enumeration of its National Debt. In the case of no less than $\$ 10,333,664$ of our own debt we are only pledged to pay the interest annually, but it is justas much a debt as if it were redeemable next year ; and if this is the case with debt due by us, I cannot conceive any reason why it should not be admitted of debts due to us.
297. The liability to the general public has, therefore, been increased to the amount stated above $\$ 5,972,234: 72$ through payments made on demand of the Provinces to the amount of $\$ 3,397,184$ ? The gross liability has been increased to a very much larger amount, but the net liability has only been increased $\$ 2,481,10108$.
298. By Mr. Mackenzie.-What was the statement of the Great Western Railway asset in the account made up of-I mean relative to the debt of the Province at the time of Confederation ?- $\$ 2,810,500$.
299. Very well, then, with respect to the sum of $\$ 510,000$ received on account of accrued interest-what I wish to know is this: If that be the case, does not that amount belong to the late. Province of Canada ?--Oh! no ; it was accrued interest.
300. I wish tobe understood as notgivingany opinion atall, merely taking Mr. Langtons own statement ?-I must entirely refuse to give any opinion with reference to the debt of the late Province of Canada.
301. You have no hesitation in giving your opinion aboutall otheritems of account, but it seems you cannot give your opinian with respect to this item. This sum of $\$ 2,810,500$ is the amount of this particular asset for the late Province of Canada 2-That was the asset of the late Provincé of Canada which, on Confederation, passed to the Dominion.
302. Youmade upastatementshowing theassetschargedagainstthedobt in entering the Union?-Yes.
303. The Great Westernamountsto $\$ 2,810,500$. Where doesthe $\$ 510,000$ thatyousay is merely the accrued interest prior to the Union-where does that belong to?-In all probability to the same place as the capital. I am merely giving' a vague opinion ; but it
appears to me to be rational that however the capital was treated, so should be the accrued interest.

Mr. Mackenzie remarked,-I entirely agree with Mr. Langton ; butI will say at once that that disposes of his claim that the $\$ 510,000$-might fairly be taken in as revenue because it is interest.

Mr. Holton remarked,-Mr. Mackenzie is quite correct, I think, in drawing such inference from the statements made, so far as my memory serves me, we have heard to day for the first time that $\$ 510,000$ were applicable to overdue interest on the Great Western Railway account, and not to capital. If I understand it right, the Government came to an understanding respecting this overdue interest. The capital was charged; and the interest was charged. Mr. Rose, as representing the Government of the Dominion, agreed to take so much, payable in a certain way, in extinction of the principle and interest, and this $\$ 510,000$ constituted the first payment under that agreement. I, theretore, think that it was futile to pretend that it was applicable to interest alone. It was to settle the whole claim.

Hon. Mr. Tilley, Examined in reference to the purchase of the Custom House at Montreal.
304. By Hon. Mr. Holton.-I see by the terms of purchase of the Custom House at Montreal, that possession was to be given to the public on the 1st of May last. I believe the public have not yet obtained admission to it ?-I believe a part of it has been rented to a Fire Insurance Company.
305. I see also you have got architects to estimate the costof thematerial, the value of land, \&e., but I do not see that you took any evidence whatever as to the annual rental of a public building, which appears to me to be the controling element establishing the value of it?-I do not think we did that. It was as to the cost of the building and the value of the land that we wished to obtain information. I went through the building myself and inspected it.
306. No doubt it was a valuable building and a good site, butno doubt, also, it was a very bad investment. I observe that we are still paying a large sum annually for the land bought from Mr. Brydges, Mr. Reekie, and others, to erect a new Custom House, some years ago. Has anything been done to that land, or is it proposed to do anything? -I do not know. It is in the hands of the Board of Works. I know the intention is to sell it as soon as a purchaser can be found.
307. The Government bought a valuable property a couple of years ago to build a Custom House. A year later they bought another site with a building on it, which we still hold, and on which we make an annual payment. I have no hesitation myself in saying that it would have been better for the public to have built a new one than to have bought that building. The pretence last year was that purchasing the building was cheaper than constructing a new one, and besides that accommodation was, sooner obtained, but still you have not got possession of it. You still have that large tract of most valuable property bought two years ago? It is quite true that we have had possession of the property for a year, and a portion of it has been, sub-letted to an Insurance Company. We could not go into it till the long room, was prepared, but it is about finished now. The greater part of it has been occupied for an examining warehouse. It is quite true that we have purchased land for the purpose of erecting a Custom House, but the Government afterwards saw a better place. A price was named for it, and the Government tried to get it for less. The fact is, the bargain was nearly broken off. We made a lower offer, but we found that we could not get it for less than the price named, and so we afterwards purchased it. After the discussion in the House the other night I felt satisfied that we had a gcod bargain. If the Custom House in Halifax was worth $\$ 200,000$, I felt that if wee could get one in Montreal for $\$ 200,000$ we had got a good bargain.
308. Hon. Sir A. T:Galt.-Thereportin the Public Works Departmentcontainsareference to this public building, which was afterwards bought, and it was thought better to erect a new building?-After careful examination we thought it to be an exeellent
building, and after a little expenditure on improving it, it will be found to be admirably adapted for the purpose.
309. Have you any idea of the amountof expenditurenecessary forthe purpose?-The contract for altering it is, I think, between four and five thousand dollars.-We contemplate selling it as soon as we can get the value of it.
310. Have you taken any steps to sell it?-Yes.
311. I am afraid it was bought as a matter of favoritism?-I don't think it:

Mr. Holton remarked,-I think it was an exceedingly unfortunate investment for the country. Instead of having a suitable'building for the purposes of that great port, an exceedingly inconvenient building, in a very unfavorable position, and one that will cost us in fact and in the end more than the erection of a suitable building required for the purpose.

Mr. Tilley; remarked,-Government arrived at a different conclusion. It is admirably adapted for the purpose for which it was bought.

## Mr. Langton further examined.

312. By Mr. Mackenzie.-Turn to page 185 of the Public Accounts. I see anitem there under the head of Nova Scotia, to pay for work done to the Liverpool and AnnapolisMail Road. There was no estimate taken for this was there ?-I cannot tell without refreshing my memory.

I am almost prepared to say there was no estimate taken for the purpose. What has the Dominion to do with this road?

Hon. Dr. Tupper remarked,-I was not in the Government at the time the estimate was made, and, therefore, cannot answer, but I suppose it is a Colonization road.

Mr. Mackenzie remarked,-If it is, it should be a cost to the Province. We do not keep up any Colonization roads.
313. By Hon. Mr. Tilley.-CAN you tell if any further expenditure isproposedon this road this year? No, there is not, I do not knowhow that came there. I think it came there in the appropriation for roads.

## Mr. Walsh again examined.

314. By Hon. Mr. Holton.-IT was in evidence, before the Committee that the contracts for the ties on the two upder sections of the Intercolonial :Railway had been given at considerably higher prices than those for the lower sections, on the ground that the timber had to be brought across the river. Was it not ?-Somewhat higher, but I forget the prices.
315. Have the terms of those contracts been varied in any way soas to allow the parties to furnish wood at an inferior grade to that specified in the original contract?-Not that I am aware of. The contracts were drawn up and signed in accordance with the tender.

I have been informed that a change has been made so as to allow inferior wood to be taken instead of cedar, as originally stipulated?-On the contrary the contractors would have been glad to have given us all cedar, but we limited them to 15 per cent. of cedar ; the remainder of the wood was to be of different kinds.

The point is simply this: That the parties were awarded the contracts for very high prices for these sections, because of the distance they had to bring the wood of the kind specified in the contract, and that since their tenders were accepted they have been permitted to supply inferior woods, which can be got nearer without crossing the river. That is the information put in my hands?- It is not the case.

Witness remarked,--Ifweare goingon with Intercolonial mattersI would liketomake an explanation before we proceedfurther. Inlooking over the printed proceedings of the Committee in reference to section No. 20, I find injustice has inadvertently been done to the Messrs. Jackson ; and I would like to state what the real facts are. The Intercolonial Act requires the Commissioners to âward contracts to such parties as appear to them to be possessed of sufficient "skill, experience and resources" to enable them to carry on the work. The

Commissioners were entirely satisfied as to the skill and resources of the Messrs Jackson ; butthey ascertained thatthesegentlemenhadnoexperience as Railway Contriactors, thàthey hadnotbeenengaged in railway constructionatall, andit was upon thatonepoint thatexception to them was taken. When they notified the Commissioners that they had associated with them persons of experience; then the report recommending them was sent in to Council. The Council took exception to them on the ground that the bringing in of additional parties was regarded by them as in effect a new tender. The evidence, as reported, would seem to imply that the Messrs. Jackson were wanting in the essential, namely:-"skill, experience and resources," whereas it was only the point of experience that exception was taken, and that point being made good by their associating Mr. Wardrope with them, we reported it to the Council.
316. By Mr. Anglin.-IN your first report to the council you reportabsolutely infavorof the Messrs. Jackson, using the ordinary words, that they were possessed of skill, experience, and resources?-That report was not sent in till they had informed us that they had taken in Mr. Wardrope.

317: Mr. Holton.- I think it appears very clear from prior statement that you considered them thoroughly competent. Here is what you say on the 6th July :-"The Commissioners being satisfied of the skill, experience, and resources of the Messrs. Jackson, recommended that their tender be accepted.

The Chairman remarked,-That was after they had brought in Mr. Wardrope.
I have explained that that report was not sent in till we had an intimation from the Messrs. Jackson that, they had associated Mr. Wardrope with them.
318. By Mr. Holton.-YOU reported in their favor in the first instance?-The Commissioners were all here on the 6th July, and that report was prepared and signed in the event of Ellis \& Co. failing to complete their contract, but it was not sent in until Ellis \& Co. had failed, and till Messrs. Jackson had associated with them Mr. Wordrope. There are two reports here-one absolutely in favor of the Messrs. Jackson's tender, and the other made subsequently, to the effect that they had removed the objection taken by the Government, of their want of experience? It was known to the members of the Governments that exception had been taken by the Commissioners to the want of experience of the Messrs. Jackson, before that first report was sent in.
C. J. Brydges, Esq., and Hon. Mr. McLellan were in attendance.

## Mr. Brydges was Examined.

319. Hon. Mr. Anglin said,-I find the first document relating to this matter is dated 6th July. In that document the Commissioners say that, "being satisfied that the skill, experience, and resources of the Messrs. Jackson, recommend that their tender be accepted." The second document is under date 23rd Augast. In it the Commissioners say-"The undersigned Commissioners for the construction of the Intercolonial Railway beg to report to the Governor in Council that having considered the matters relating to tenders for section No. 20, which was referred back to them, together with their report, of date 6th July last, they have now to state that the Hon. Mr. Chandler is detained in New Brünswick by illness, \&c. Mr. Walsh, having reconsidered the whole question, adheres to the report made to the Council by the Commissioners, on 6 th July last, recommending that the tenders of Messrs. J. G. Jackson, be accepted. Mr. Brydges, having considered the documents relating to the sureties offered by Messrs. Ellis \& Co. in their tender referred to the Commissioners by the Council, is of opinion that these papers remove the informalities for which the tender of Messrs. Ellis \& Co. was ruled out, as he is satisfied with their skill, experience and resources, he recommends that the tenders of Messrs. W. Ellis \& Co., for section No. 20 , being for the sum of $\$ 520,000$, and being the lowest tender, be accepted."

Messrs. Ellis \& Co. failed to get the sureties, and again the Commissioners recommend Messsrs. Jackson \& Co., they having associated with themselves other parties, to which it appears the Council objected. These documents show that the Commissioners were quite satisfied with the skill, resources and experience of Messrs, Jackson \& Co.

Mr. Brydges answered,--The lowest tender for Section No. 20 was that of Messrs. Ellis \& Co., and the next lowest that was considered suitable, that of Messrs. Jackson \& Co. There were objections to the tender of Messrs. Ellis \& Co. on the ground of its not being strictly formal, that is to say, the names signed to it were required by the advertisement to be signed by the parties themselves and by their intending sureties, and in this case the sureties did not sign the document binding themselves to become sureties. The signatures to the tender were all in one handwriting. I considered that was a very serious and fatal oljection; and when the parties came before us they did not give, to my mind, any satisfactory evidence that they were authorized to sign the document for the sureties. In considering the tenders, we came to the conclusion that Jackson \& Co.'s tender was not acceptable, inasmuch as they had not had such experience in that kind of work as we thought they ought to have ; and that unless Messis. Jackson \& Co. associated with themselves some parties to supply the experience which they lacked, and if Ellis \& Co. failed in satisfying us in regard to their tender, we should pass over Messrs. Jackson \& Co.'s tender. Messrs Ellis \& Co. did not satisfy us with regard to the informalities in their tender, but Messrs. Jäckson \& Co. intimated, it was before our report of the 6th July was sent in to the Council, that they had associated with them Mr. Wardrope, whom we considered had the necessary experience ; and it was upon that intimation that we made our recommendation. The matter was referred back to us by Council, together with a communication sent direct to the Council, not through the Commissioners by the proposed surety (Mr. Wiser,) of Messrs. Ellis \& Co., stating that he would sign the bond as surety if the contract was awarded to Messrs. Ellis \& Co. I considered they had thus remedied the informality, and recommended their tender be accepted. The Government then accepted the tender of Messrs. Ellis \& Co., on condition that it was executed within a certain term by the contractors and the sureties. The parties were at once notified of these conditions, but they did not comply with them, and therefore their tender fell to the ground. Then it was that the question was referred back to us to state in writing what we had previonsly verbally stated.
320. By Hon. Mr. Holton.-The result appears then to have been this, that you were instructed by Government to remedy what you regarded as a fatal defect in the tender of Messrs. Ellis \& Co., and that the Government overruled your report in favor of Messrs. ${ }_{5}$ Jackson \& Co., because they had associated with them Mr. Wardrope? That is not the exact position. The Government did not instruct us to be satisfied with Mr. Wiser's letter. Mr. Wiser, or Messrs. Ellis \& Co., made no communication to us as Commissioners before our report was sent in recommending Messrs. Jackson \& Co. After our report had gone to Council, and before Council had acted uponit, Messrs. Ellis \& Co. sent in Mr. Wiser's letter. The Goverńment, without expressing any opinion, sent the report back to us with that letter; to know if that changed our opinion.-It did mine.
321. I think the Government passed a Minute of Council, which was communicated to the Commissioners, that if Ellis \& Co. fulfilled the conditions in respect to the bona fide signatures of the sureties within a certain number of days the Contract should be awarded them?-That is my report.
322. But the fact. remains that the Government insisted upon this fatal defect being cured; in the case of Ellis \& Co.'s tender, but refused, in the case of Jackson \& Co.? -They did not insist upon the defect being remedied. After they got our report, saying that we were not satisfied with Messrs. Ellis \& Co., they received a communication which they referred back to us to ask us whether we considered that healed the informality.
323. Does Mr. Brydges deny that the Gevernment requested the Commissioners to consider Ellis \& Co.'s tender as acceptable in point of form if the sureties signed within a certain number of days?-They gave us no instructions upon the subject. . They. referred it back to us for the purpose of our considering it again.
324. Here is the report of the Committee of the Privy Council :-
"In the Memorandum dated 23rd August, 1870, from Sir George Cartier, acting for
the Minister of Public Works, having reference to the report of the Intercolonial Rail ${ }^{-}$ way Commissioners of the 6th July, 1870, supplemented by the approximate estimate of the Chief Engineer of the cost of section No. 20, called for by the Council, and also by explanations from two of the Commissioners, and submitting that with regard to Section No. 20 of that line, the tender of Messss. Ellis \& Co., of Prescott, for $\$ 520,000$, or at the rate of $\$ 86,666$ per mile, being the lowest, was ruled out on account of informality in the signatures thereto by the surety proposed by them, which alledged informality has. been remedied by intimation in writing from the surety that he is prepared to execute the contract as such surety-that in his opinion the informality complained of was not sufficient. to deprive Messrs. Ellis \& Co. of their tender, and recommending that the tender of Messrs. Ellis \& Co., as above mentioned, be accepted, and that the contract be entered into with them accordingly and completed within a period of eight days, and that thereupon the contractors be required to use all dilligence in at once commencing and prosecuting the work. The Committee advise that the tender of Messrs. Ellis \& Co. be accepted, and the necessary instructions be given in terms of the above report"? That was after our report was sent in.
325. That is quite immaterial. Your statement was that no communication had been received. ?-No communication was received till after wo had reported.

Mr. Holton remarked,-It comes back to this that the Government instructed you to consider as cured a defect which you considered fatal in the original tender of these gentlemen, and that the Government refused to act upon your report in favor of Messrs. Jackson \& Co., because they had strengthened their position by associating Mr. Wardrope with them.

The Chairman.-That is really not a fair statement of the matter. The Minute of Council, which Mr. Holton has just read, was drawn up after the seeond report of the Commissioners was received. The history of the matter is simply this: The Commissioners made one report which was referted back to then, without any instructions, to consider the question of curing the informality, and then came the report signed by Mr. Brydges in favour of Ellis \& Co., and upon that report the Minute in Council was passed. With regard to the other question of ruling out the tender of Jackson \& Co., I would just ask Mr. Brydges whether there are not tenders even lower than Ellis \& Co.'s, which were ruled out on account of want of skill, experience, and resources.

Mr. Brydges.-I think Ellis \& Co.'s was absolutely the lowest tender. There were tenders between theirs and Jackson's.

The Chairman.-Would it be possible to carry on an undertaking of this kind if, after ruling out parties on the ground of want of skill, experience, and resources, you were to allow them to strengthen themselves by associating with themselves others who perhaps tendered higher.

Mr. Holton.-I would say in answer to that, that it appears to me to be much more permissible to allow a party to strengthen himself in the way Jackson \& Co. did than to allow a fatal defect in tenders as stated by Mr. Brydges-a fatal defect in limine to be cured by the Government.

Mr. Tilley.-I differ entirely from my hon. friend. What are the facts of this case ? Exception was taken to the tender of Ellis \& Co. because the party who was to be their surety did not sign the paper himaself. Subsequently he wrote to the Government that he was prepared to sign, and the Government considering the large amount of money involved, said if. he would sign the contract of Ellis \& Co., they should have it. A great deal of time had been lost, and therefore we stipulated that Mr. Wiser should sign the contract within eight days. Now come to the other case : Messrs. Jackson \& Co.'s tender was the next lowest that was considered suitable. The engineer reported that it was absolutely necessary that this work should be put into the hands of men of experience, and it was considered that Messss. Jackson \& Co. had not sufficient experience to construct a work of that kind; and they were rejected. After that they associated with them a party who had tendered higher, and the Government held that it would be highly objectionable to accept them on that account.

Mr. Holton.-The same argument holds good in the other case.' The real question is which is the most important defect?-Mr. Brydges has stated that he regarded the defect in Messrs. Ellis \& Co.'s tender as fatal, and therefore he reported in favor of Messrs. Jackson \& Co.

Mr. Bryllges.-It was not till we knew that Mr. Wardrope had agreed to associate with Mr. Jackson that we sent in that report of the 6th July.

Mr. Holton.-We have to be guided by the record placed before us, and we cannot allow that record to be modified by verbal statements. Mr. Brydges joined in the repoit of the 6th July, stating that these parties were possessed of the requisite skill, experience, and resources, and, therefore, recommending that they should have the contract. Then occurred what has been stated with regard to Ellis \& Co. Then came the report of the Privy Council of 20 th September, which was made in consequence of the failure of Ellis \& Co. to execute their contract under the conditions which the Commissioners had been instructed by Government to insist on.
Mi. Tupper:-I think the case before the Committee is very plain and simple, and one very difficult to mystify, here or elsewhere. The Government are responsible, under the law, for what takes place in reference to these matters, the Government were of opinion that the lowest tender should be accepted, provided the parties whose names were given as sureties would sign. The Government were of opinion that, in the interests of the country, it was perfectly justifiable, under the law, to give these parties the opportunity of signing. The Government are prepared to take the responsibility here or elsewhere. In the next place, the Government were of opinion that it. was not competent for them to do away with all the principles of tender and contract, and to say that parties might amend their tenders by associating another contractor with them. I have no hesitation in saying that the Government is prepared to take the responsibility, and that it is in the interests of the public service, and within their duty, to allow the parties sent in as original sureties to sign the contract and complete it.

Mr. Holton.-Unfortunately for the argument, which may be valid, the Government, in the case of Jackson \& Co., have pursued a directly contrary course ; they have overruled the Commissioners.
Mi. Tupper:-The law gives the Government power to over-rule the Commissioners.

Mr. Hollon.-We are discussing the expediency of the two cases in which the Commissioners were overruled. The Government are at fault here rather than the Commissioners. The Commissioners seem to have discharged their duty faithfully, but they were over-ruled by the Government in two instances, on directly antagonistic groundsin the case of Eilis \& Co., on technical grounds. But we find the Government, in the case of Jackson \& Co., refusing to allow that company to reinforce themselves: In a very important respect the Government are on the horns of a dilemma. If the Government were wrong in one case they were wrong in the other. I am inclined to think they were wrong in both.

Mr. Mackenzie.-Not a doubt of it (laughter).
Mr. Anglin.-In the original Report, in which the Commissioners gave the list of parties tendering, and the list of all the tenders of which they took cognizance, there is no mention made of Brown, Brooks, and Ryan, who ultimately received the contract. The Commissioners seem to have thought the tender so unfit for consideration that they make no mention of it.

Sir F. Hincks.- Is the gentleman sure of the fact?
Mr. Anglin. - It is remarkable that we have no mention of them.
Mr. Tilley:-The Commissioners commenced with the lowest and went up to an acceptable tender, and Brown, Brooks, and Ryan were above that.

Mr. Pope.-It seems to me the case is plain. In the first place, Ellis \& Co., who tendered, did not bring forward their sureties, if they had done so, there would have been no question about the tender.

Mr. Tilley.-None.
Mr. Pope.-As respects Jackson \& Co., they came down and tendered; but it seems
to me they proposed to introduce a new element, and make another company, not the company which gave in the tender. Would the Government, then, be justified in accepting a tender which had never been made?-(hear, hear)-for the new element introduced made a new tender.

Mr. Mackenzie.-(to Hon. Mr. Tupper.)-Did I understand you to say you would object to changing a tender after it was put in?

Mr. Tupper.-I said I would object to allow one party to change and not allow another.

Mr. Afackenzie.-Your ground would be this, that the party putting in the lowest tender, if the sureties were sufficient, would get the work?

Mr. Tupper.-Yes.
Mr. Machienzie.-Why, then, was that principle not carried out in the case of the harbors on Lakes Huron and Erie?

Mr. Tupper.-An explaantion has already been given.
Mr. Mackenzie.-I am glad to have the President of the Council condemn the action of the Government in these two instances (a laugh). The Government deprived one of the best men in the country of a tender for these harbors in order to reward their own supporters.
326. By the Chairman.-Is it not the case that the Commissioners have ruled out tenders on the ground that the parties had already got an amount of work the Commissioners thought sufficient ?-Yes.

Mr. Mackenzie.-Will you mention names'?
Mr. Tupper remarked,—Grant and Sutherland, for instance.
327. Did you give more than one contract to certain parties on the Intercolonial ?Yes.
328. On what grounds ?-Becanse we were satisfied with the resources of the parties.
329. Can you remember their names?-There was the case of Worthington, who got two adjoining sections.
$M r$. Walsh remarked,--There was also the case of Grant \& Whitehead. In one of the cases the sections were apart, and the result was unsatisfactory, so the Commissioners did not repeat it.

## Mr. Walsh Examined.

330. By Mr. Mackenzie.-WAS it because the sections were not contiguous that the Commissioners did not repeat it ? That was one of the reasons.
331. Did the Commissioners assign that as a reason?-They did.
332. Where is the communication?-We don't, as a rule, put everything in writing. We have many verbal communications.

## Mr. Brydges further Examined.

333. Do you know John Brown, of Thorald?-I do.
334. Do you consider him capable of carrying out two contracts at a distance? for instance, the buildings at Goderich and Rondeau?-I never was there, and I can have no knowledge on the subject.
335. Would you have any hesitation in giving these contracts to Brown?-That depends on conditions. I should say that in two works of that kind, I would prefer to have separate contracts.
336. You say you know the man, and I ask if you would give him these two con-tracts?-I should say, no.

I dare say that answer is necessary in order to maintain the action of the Government and its Commissioners.

Mr. Brydges.-I do hope, when I am asked a question, it will be quite understood I am quite prepared to stand by the answer I give.
337. By Hon. Mr: Holton.- IS it the custom in England, or throughout the world, to
consider great contracting firms as incompetent to tender for any works by reason of their distance?-Not in the case of such men as Brassey and Co., who have millions at their control. But we have small contractors here.
338. On the Great Western, for instance, was Zimmerman incompetent to carry out two sections ?-In regard to Ziminerman, his contracts, as far as I recollect, were contiguous:
339. Is is not notorious that railway contractors undertake a variety of works at a considerable distance from each other?-I should prefer, when works are at a distance apart, to put theni in separate hands.

Sir A. T. Galt remarked,-I think the case of Mr. Brown is not before the Committee.

Mr. Holton.-Every man who gets a dollar of the public money is here before this Committee. We have a right to discuss things relatively.

Sir A. T. Galt.-In regard to this question of contractors undertaking works at different points, it depends very much on a man's resources. As I understand the main question, no blame can attach to the Commissioners for section twenty.

Mr. Holton.-I say so.
Sir A. T. Galt.-The case is this:-Ellis and three others, submitted a tender to the Commissioners. They reported to the Government, on the 6th of July, that Jackson's tender be accepted, because Ellis had failed to comply with the conditions they subsequently explained, that their report of the 6 th of July, was made on a communication from Jackson and Company stating that they had supplied a certain deficiency. The Commissioners then accepted this tender of Jackson and Co., and I think they did perfectly right.

Mr. Mackcnzie.-On Saturday, I requested the clerk to summon Mr. Levisey in order to procure some information, but now it appears that that gentleman is too unwell to attend. A statement was made by Mr. Biydges that the Yorkshire Manufacturing Company was almost in a state of insolvency. I, therefore, wish to call Mr. Levisey to give evidence on this point.

Mr. Hotton.-I had some conversation with Mr. Levisey, of course entirely of a public character. He stated, as Mr. Brydges had stated, that the company had reduced their capital, which was not an uncommon thing in England, and did not at all involve insolvency. He mentioned that the company turned out from 120 and 130 engines per year, and that they were sent to all parts of the world.

Dr. Tupper.-It is but right to say that Mr. Levisey informed me that he had a tender from the Yorkshire Company, and that he was tendering himsolf for a much higher sum. He said he was to have a portion of the work in each case.

Mr. Holton.-He stated then what was contradicted the other day, and in order to remoxe a misapprehensior on the subject, that the engines were tendered for duty paid, as contradistinguished from in bond.

Mr:. Mackenzie.-We have read Mr. Levisey's tender.
Dr: Tupper:-I understood him to say he was acting for the Yorkshire Company as well as for himself.

Mr. Brydges.-He stated the same to me.
$\therefore$ Mr. Holton.-Mr. Levisey stated he had an interest in the Yorkshire Company's tender, and was to build some parts of the engnes.

The Committee adjourned at a quarter to one o'clock, to meet again at the call of its chairman.

Committee Room,<br>Ottawa, Saturday, 8th April 1871.

The Committee met.

## MEMBERS PRESENT:

The Hen. Sir francis HINCKs, K.c.M.G., c.B., Chairman.

Hon. Mr. Anglin.
Hon. Mr. Holton,
Hon. Mr. Irwin,
Hon. Mr. Langevin,
Hon. Mr. Tilley, Hon. Mr. Tupper, Hon..Mr. Wood, Hr. Blake,

| Mr. Bolton, | Mr. Masson (Terrebonne), |
| :--- | :--- |
| Mr. Durresne, | Mr. MoConkey, |
| Mr. Gibbs, | Mr. Pope, |
| Mr. Keeler, | Mr. Robitaille, |
| Mr. Lapum, | Mr. Ross (Prince Edward), |
| Mr. Lawson. | Mr. Ryan (Kings N. B.), |
| Mr. Macdonald (Glengarry), Mr. Walsh, |  |
| Mr. Mackenzie, | Mr. Young. |

The Committee proceeded to the further consideration of expenditure on Intercolonial Railway.

## Hon. Mr. Tilley Examined.

340. By Hon. Mr. Hollon.-WHAT duty did the Grand Trunk Railway pay on the engines they imported?--Fifteen per cent. on a locomotive when it was put together.
341. Is it on the total cost of the engine, or on the cost of the ongine, less the value of those parts which are allowed to be imported duty free?-Mhat depends on the mode of importing them. If you import engines as locomotives, you import them whole, and pay the duty on them. If you import the parts that are free under the tariff, separately, you can so enter them. As a general rule they are entered in parts.
342. Mr. Holton remarked,--The Commissioners estimated the duty on the whole value of the engine as defined by the tender. The Government admit, engines when imported by other parties-the Grand Trunk Railway Company and the Great Western Railway Company, for instance-on the payment of the duty, less the value of those parts which enter into the construction of engines, which are admitted free of duty. How much would this amount to ?-About one-third of the duty.

And yet, while other engines are admitted at two-thirds duty, the locomotives for the Intercolonial are entered at the full rates.

The Chairman.-Which engines do you refer to?
343. Mr. Holton.-Both the engines tendered for' by the Glasgow, and other companies. Is it not unusual, to charge anything on artieles imported by Government, and for the useof the Govemment?-The Local Governments pay duty on everything they import.
344. I am speaking of the Dominion Government? Oh, of course they are exempt.
345. Would it not have been fair to assure parties tendering for these locomotivesthat their engine should have come in duty free? No, and I will give you a case in point which will explain why. Parties tendering for the construction of bridges on the Intercolonial required to use a large quantity of cement. They asked permission to import it duty free. We said, No, it is your woik and you must pay the tariff. These people sometimes require thousands of barrels of cement.

The Chairman.-I think it would be exceedingly unfair to our own manufacturers to remit the duties on imported engines.

Mr. Holton. -The fair thing to do in inviting competition from abroad would be, to put them all on the same footing. Distinction is made in this case against parties tendering to supply locomotives from other countries.

Mr. Tilley:-I don't suppose the Commissioners knew that locomotives could be entered in parts.
Mi. Holton:-But the Government did, at all events.

## Mr. Walsh Examined.

346. By Mr. Mackenzie.-ARE you aware of any engineers on the Intercolonia being concerned in contracts ?-No.
347. Have you never heard of any case of the kind ?- I have not.
348. Did the Commissieners receive any hint of the sort at any time?-No, there was no rumor that I ever heard of with reference to any engineer. I did hear a rumor in connection with the first letting of section 10, which was never confirmed. It was simply a rumor that there was a friend of an engineer interested in the letting of the contract. It had no foundation that I ever heard of. The contract was a bad one, and was subsequently annulled.
349. Was that contract let in the first place to the parties that tendered, or an addition made to parties tendering?-To parties tendering-Messrs. McBean and Robinson.
350. McBean and Robinson, or McBean, Robinson \& Co. 2-No, McBean and Robinson. The names will be found in the returns.
351. By Mr. Young.-WHO is the engineer referred to?-The rumor was that it was a brother of Mr. Light.
352. By Mr. Mackenzie.-IT appears there have been two rumors, for the rumor I heard that it was the engineer himmelf. I did hear that it reached the ear of the Commissioners and that ono of them at all events thought proper to inquire into it and that the engineer said it was his brother and not himself.

Witness.-Which Commissioner do you refer to?
Mr. Mackenzie.-I cannot say. I see that the tender appears in the return "McBean, Robinson \& Co."

Witness.-I presume that when asked the name of the company, it was given as McBean \& Robinson.
353. Do you know that Dr. Ferguson is also a partner in the firm ?-No, I know that he was on the works. He is a son-in-law of Mr. Robinson, one of the contractors.
354. My information reached me too late to give me an opportunity to bring evidence before the Committee. - However, the information 1 did receive, is of an exceedingly definite character. About this particular contract, Mr. Walsh, how many miles did it extend over. It commenced at Newcastle, and extended how far westward ? Twenty miles.
355. Where is the work done that has been done on the road ?-The principal part of the work (excepting the clearing) such as excavation, masonry, dc., was in the neigh. borhood of Newcastle.
356. All, in fact, within a mile or a mile and a half of that end of the line?-I think the greater part was.
357. Was it not all ? $-I$ am not sure of that, but I know that the great bulk of the work if not all of it was within that distance of Newcastle.
358. What was the nature of this work?-Masonry and excavation.
359. Chiefly excavation was it not?-Yes.
360. State the character of the excavation?-The cutting that I visited was earth and rock.
361. What kind of rock ? Soft free-stone with a gravelly surface.
362. Soft free-stone with a gravelly surface, that you accept as your answor ?-Yes.
363. Do you remember the price of the rock work?-No.
364. I see it is eighty cents per yard?-The principle adopted in all such cases is this : The chief engineer apportions the lump sum of the contractor to the various kinds of work.
365. Do you mean to say that if the contract were completed he would not be entitled to 80 cents per yard for the whole of it?-1 think not. The schedules do not govern the prices to be paid. It is a lump sum to ke paid for the contract. The engineer has a
statement of the work to be done, shewing so much rock and earth. He takes the lump sum and moneys to the contractors for each kind of work done.
366. Suppose the contractors had mistaken the qualities, and estimated more or less than the price in the schedule. It might as well be under eighty cents per yard as over it?-In some instances, applications are made in the schedules for very extravagant prices. I think in that very one you refer to, for clearing in the schedule, the persons tendering gave a very high rate for that particular kind of work, but, when the engineers came to get the lump sum, he reduced the price for clearing.
367. Suppose he had estimated for 100,000 cubic feet of rock excavations and the price estimated had been on these quantities, and the contract had turned out to be 80,000 cubic feet, would not the price of 80 cents per foot have been too high ?-But, other kinds of work might have been increased if this kind had been decreased.
368. Can you tell us, then, "what the estimate really was of the engineers, for this rock work ? - I could not now.
369. Was it the practice with the Commissioners to allow the contractors to begin at the easiest and most profitable part of the road ?-The commencement and prosecution of the work is left in the hands of the engineers.
37.0. In this case, Mr. Light allowed them to commence close to Newcastle where the best roads were, and where the work was easiest? - Yes, but the cutting was heavy there.
371. Of course, the heavier the better. This part is intersected by deop ravines, is it not?Yes.
372. The earth removed was used to fill up these ravines?-Yes.
373. Why were these people not compelled to commence at a dfficult part of the line as well as at the easiest?-Just because we never compel contractors to begin at any particular place.
374. Here the Commissioners did not do their duty in that matter. Here is a body of contractors, alleged by public rumor to be unreliable, allowed to begin where they pleased, and yet they are allowed to do what is beyond all question-what the engineer himself admitted to me to be at least twenty per cent easier done than any other part of the contract. In speaking to that gentleman I expressed my surprise that the Commissioner should have permitted that. Mr. Light is not present and I will not repeat his conversation, but I can do so with my own. It seems to me very unfair that the Commissioners should have allowed them to do the most profitable part of the work. As it receded back from the river, the difficulties naturally increased in proportion. Your answer, Mr. Walsh, is that the Commissioners never interferred in giving directions to commence work at different points of the line?-No, they did not.
375. In no instance. Did the Engineers in this instance repert the number of men employed upon the works; and the daily, weekly, or monthly expenditure during the time the work was in progress ?-The engineers make returns to the chief engineers. The information we get is the monthly returns of the work done.
376. I did not understand that the engineers were so instructed. It is the practice, I believe, on all public works; even where the contractors are paid by lump sum and partly by schedule price, to keep a correct account of the number of men, horses and engine employed ?-That is the practice, but what I mean to say is that these returns, though made monthly, copies of them are not sent to the Commissioners. And that is one of the reasons given by Mr. Fleming to the Commissioners for extending the staff to keep track of the number of men \&c., employed, and the accurate information he requires from time to time makes it necessary that a larger force should be employed than would otherwise be necessary for us and if confined to the work.
377. Don't you think it would serve another purpose too, that is to enable the Commissioners to judge whether the work was proceeded with as it should be, i.e., to prevent contractors from using their option as to the points where they should work and do the easiest work, instead of beginning at regular intervals. In this case, public rumor assumed that the contractors occupied a very improper position, and you have never checked the report of your'officers.

Witness.-Do I understand you as suggesting that some one should be here outside of the staff to-act as a check on the staff?

Mr. Mackenzie.-No, what I want is this, that the Commissioners should have a person employed in preparing returns with an estimate of the number of the men, horses, \&e., engaged, to enable you to see what the expenditure was. It ought to have occurred to anyone, that in this particular work, one end of the line touched on the river, and that all the conveniences for doing work, and where the work was most profitable were there, and that if all the force was concentrated on that particular point thewe was some reason for it. If you had a returning officer, you might have provented that.
378. By Mr: Lawson.-HOW is it usual to make estimates for payments?-The rates of payment are not the rates mentioned in the contractor's schedule, but are in the proportion which the amount of the work done bears to the whole work, estimated by the chief engineer. - At the end of each month the engineer reports that so much work, specifying the various kinds, has been performed, and the chief engineer applies his prices to these quantities.
379. By Hon. Mr. Tilley.-ARE the contractors generally satisfied with the amount allowed them by the engineer?-Certainly not.
380. Does not the Engineer put a lower price proportionally on the light work in order to prevent the contractors from first furnishing that kind of work, and then throwing up the contract?-The principle Mr. Fleming has adopted is, to allow better prices for the masonry, in order to induce the contractors not to leave that work to the last, but to carry it on as speedily as possible.
381. By Mr. Maekenzie.-DO you know where the stone for the masonry in this contract was obtained?-I believe the stone was found very convenient. There was a quarry near the road.
382. Did not the contractors get a large portion of the stone-nearly all of it-on the road on the surface of the ground?-I am not sure ; there was a quarry near at hand.
383. Was not the whole surface of the ground there covered with free-stone boulders that were used for the masonry?-Yes; they got it nearly all without quarrying.

Mr. Tilley remarked,-The facility of getting the materials is considered by the engineer in regulating the payments to the contractors.
384. Mr. Mackenzie.-Is that the case? Is there not a price fixed for masonry?-I fancy what you mean is, that the price for masonry is not uniform in all the sections. Is it uniform from end to end of section No. 10 ?

Mr. Tilley.--Certainly.
Mr. Mackenzie.-The point I wish to bring out is this: The Commissioners allowed the contractors to perform the work on the less difficult points of the section, where the material for masonry was actually on the surface of the ground, and where the rock and earth excavations were very easy; whereas on the difficult parts of the section no work was done. The contract was given up as soon as the contractors reached a joint where the material had to be brought a considerable distance.
385. Dr. Tupper:-I hear, for the first, time a statement which I take to be a very improper statement, unless there is some means of substantiating it. It is a rumor, probably unfounded, that one of the engineers was interested in a contract. With reference to the point to which Mr. Mackenzie seems to attach so much importance, there is another view to be taken of it. Every member of the Committee knows that the great dificulty a contractor encounters, unless he is a man of very large means, is to proeure the necessary plant for the work in the first instance before he can get any payment at all. And I can see a very good reason for allowing a contractor to do the easiest portion of the work first, in order that he may get some return for the large outlay which he has to make. . But I don't go into that point. I want to ask Mr. Walsh if he is aware that that contract was abaindoned because the contractors alleged they were unable to complete the contract, on account of the engineers in charge not allowing them payment for the work which they maintained they had a fair claim to under the contract?-There is no question that the contractors claimed to have been underpaid.

Mr. Mackenzie remarked, - Dr. Tupper has thought proper to charge me with improper conduct. I do not know any place except the Committee of Public Accounts where such a rumor as I have referred to ought to be mentioned. I have never mentioned it in the public streets, nor did I ask any questions about it, till the Chief Commissioner admitted he had heard the rumor.

The Chairman.-I understood Mr. Walsh to say that the rumor he heard was with reference to an engineer's brother, not to the engineer himself.

Witness.-Yes, so far as my memory serves me, the rumor did not reach my ears till after the contract was abandoned.

Dr. Tupper.-If there was any foundation for the rumor, the evidence ought to be brought here. I never heard it before.

Mr. Mackenzie.-If there was time evidence could be brought. This is the place to bring up anything of the kind ; and I must say the evidence regarding the mode of executing the contract points in the direction of the rumor. I do not pretend, however, to have suspected such a thing myself till the matter was mentioned to me yesterday by a person of considerable knowledge down there. When I was down there myself, I asked Mr. Light if he did not think it a wrong system to allow the contractors to do the best paying part of the work first.
386. By Hon. Mrr. Holton.-WTTH reference to the point raised by Dr. Tupper, I do not say that the engineer was interested in the contract ; but assuming that he was, then the very thing which he is said to have done, is that whioh he would be most likely to have done in the interest' of himself and co partners? -So far as I could learn, thess contractors complain that the engineer was over exacting in regard to their performance of the work, and that was one of the reasons of their giving up their contract.
387. By Mr. Macdonald (Glengarry).-HAS this contract been closed yet ?-Yes, by their being paid the amount of work done, less the percentage which is on hand. But like most contractors they claim to be entitled to an additional 'amount, but that claim has not been recognized.
388. They have made a claim for extra work ?-It so happened in the printing of the tenders the item for haul was not mentioned. In settling with them they were allowed so much a yard for excavation, \&c., without reference to haul, and that is the sole ground upon which they rose their claim for extra compensation.
389. By Mr. Mackenzie.-DID not the speeification spccify the average length of haul in each section?-Yes, I think so.

Why then should there be any dispute in this case?
Dr. Tupper remarked,-It appears that in the schedule of prices in this particular instance, and in no other, among the items put down was one for haul, one cent per hundred feet. The contractor, claims in addition to the lump sum for their contract, ono cent per hundred feet for haul. The engineer refused to allow them anything, because haul was included in the contract.
390. The average haul upon this section was, $I$ think, between 1,500 and 1,600 feet. Do you know the average haul upon the portion of the section that they executed?-It could not be much more than 100 feet-between 100 and 200 feet.
391. Mr. Macdonald (Glengarry).-HOW much do they claim now?-They have not named any sum; they simply make a general application for consideration. My recollection of it is this, the contract was re-let from the original quantities so specified when McBean and Robertson took the contract, and it was provided that a percentage of the lump sum should be deducted for the work already done from the tenders. The contract was let to Dunean Macdonald for $\$ 400,000$. The result was, by deducting from this amount, the parcentage on account of the work done, we took from it some $\$ 4,000$ more than paid to McBean and Robertson ; and I believe that is the amount the contzactors would like to get now. We adopted the plan of working the original quantities in order to save time. When the first contracts were cancelled we had a remeasurement made of the work done, and of the work to be done, and that took a good
deal of time. And, therefore, to save time, we thought it better to take original quantities in this case, and deduct a percentage.
392. By Mr: Young.-DOES this claim ask for this $\$ 4,000$, or what does it ask for?-They have not asked for any specific sum, they simply ask to have a reconsideration of their case. But in verbal communication with myself, that is one of the things they stated.
393. B3! Mi. Mackenaie.-HAVE the Commissioners now adopted any different regulations with regard to requiring contractors to begin their work at several points? Yes.

Mr. Mackeneic.-I am ghad to hear that.
394. By Mr. Macdonald (Glengarry).-WAS not that the desire of Mr. Flemming from the first? Well, I presume it was. It is the correct way of proceeding with the work, no doulbt.
395. Then the Commissioners did not act upon that?-They did not enforce it. Take the case of Section No. 10. The contractors went to work and cleared the whole extent of their 20 miles, but they did not really get into the heart of their work. What they did do in the way of excavation was done at the most convenient points.
396. By Mr. Mackenzie.-THE clearing was only a small work. The wood was a sort of brushwood-the second growth after the fire?-They complained that the prices paid for clearing were not nearly enough. But so far as I could see there was no heavy timber.

Mr. Mackenzie.-I don't think I saw a tree over six inches.

## Mr. Fleming further Examined.

397. By Mr. Mackenzie.-I wish to put a question to you, and I may just say a word first by way of explanation. The money paid to the contractors was not according to their schedule rate, but according to the proportion of the work done as compared with the bill of quantities of the section. That was the answer of the Commissioner, in reference to Section No. 10, the work having been commenced close to Newcastle, where all the material could easily be obtained. What I asked was, did the district engineer furnish to the Commissioners a statement, each pay day of the number of men and forces employed? They say no, not to them, but such statement was furmished regularly to yourself as engineer in chief. What was the object of requiring such a statement to be made to you?-Of course it is proper that I should know everything going on on the line. I wanted, from the beginning, to keep a correct account of all that was done, including the number of men, horses and force generally employed At my own instigation, I instructed every engineer in charge of a contract to keep an approximate estimate of the force employed. In some cases the estimate was not very correct; in others, sufficiently near for the purpose I had in view, which was to check any extravagant claims that the contractors might bring against the Government in future settlement with them. That was one of the main objects I had in view.
398. What I wished particularly to suggest by my question, was this, on section 10, for instance, the contractors did a portion of the work in the easiest part of the section, and if you paid them for the distance in full proportion to the whole length of the section, it is quite evident they were paid more than the value of the work done. And my impression was that you required a statement of the number of men and forces employed so as to apportion the amount to be paid, not according to the number of yards done, but according to the actual amount of work done, considering all the facilities for obtaining the material. If you paid them the full amount per yard done, then you certainly would have to give them less for the more difficult portions?-We started to make allowances for the natiure of the work done, but it was represented that that course would bear rather hard on the contractors, inasunuch as they had to incur expenditures of various kind-initial expenses -that were not represented by work done; and it was decided to give them the average from the beginning.
399. I admit there is some force in that view. Did you ever give any directions to the engineers in this or any other sections to require the contractors to commence simultaneously on several points, so that their work would represent the average of the whole section ?--The engineers in charge, and myself, whenever I saw them, urged and requested the contractors to begin generally over the whole line. But they have not always done so. We could not very well make it a condition. They said it suited their purpose better to begin at certain points, and we did not think it well to interfere much with their mannor of carrying on the work.
400. Are you aware that in public works of this kind it is the practice to require the contractors to begin at several points?-Yes, that is the rule; and had I the power, I would insist upon their beginning generally over the line.
401. Are you not required by the Commissioners to exercise the requisite authority in enforcing this rule ?-The Commissioners did not wish to interfere with the contractors. They wished the contractors to have the fullest opportunity of doing what they undertook to do in their own way.
402. That is changed now ?-It is very much the same now ; but the Commissisners themselves have pointed out to the contractors the absolute necessity of doing certain kinds of heavy work, such as masonry, de., that they formerly neglected.

Mr. Walsh.-I must add to Witness' answer. It has been apparent from these investigations that the contracts have all been taken at very low rates. Witness said, in reply to a question here, that he would have recommended giving them at higher rates. One reason why its Commissioners felt that it was not desirable to be too exacting was this -that there was a very small margin for profits; and if the contractors, in the frrst instance, had been compolled to get sufficient force to open heavy cuts, it would have broken them down, whereas, if they were allowed to feel their way, they would manage to get on.

Hon. Mr. Wood.-strikes me that a large uumber of contracts were taken when the contractors absolutely knew they were not justified in taking them. How do you justify that?

Mr. Mackenzie.-They could all manage to do the work.
Hon. Mr. Wood.-I am not speaking of that. The engineer told some of them they could not do the work. Yet they entered upon the contract.
403. By Mr. Walsh.-I would like to ask Witness, if Mr. Light is interested in the letting of section No. 10 ?-Mr. Light explained to me a long time ago, that his brother was out of employment; and was trying to get an interest in one by the contracts-and he mentioned No. 10 as one in which he had some understanding with the contractors. It was very much against the wishes of Mr. Alexander Light that his brother should have anything to do with the contracts, as he said it would place him in a false and improper position. Mr. Robert Light, the brother of Mr Alexander Light, the district engineer, urged it was very unfair that the latter should take exception to his action. Mr Alexander Light told Robert that if he took an interest in any contract, it would probably be a more serious matter than he imagined. But Mr. Alexander Light, himself, has no interest in any contract.
404. By Mr. Gibbs.-HAS he never participated inany contract?-Never in any way.
405. By Mr. Mackenzie.-THE contractors complained of some one ?-I think it. was of the Engineers.

Mr. Tilly remarked,-They are complaining still.
Mr. Mackenzie.-It appears to me that the statement made by Witness is very satisfactory.

Hon. Mr. Holton.-I think so too, I think that all suspicion of improper complicity should be discharged from the minds of the Committee.

Mr. Mackenzie.-T think it was but right in bringing this matter, in which Mr. Light's name was mentioned before the Committee; for we have heard its explanation. The statement was made to me, and I felt bound to bring it up here.

Witness withdrew.
The Committee adjourned.

Tnesday, 11th April, 1871.
The Committee met.
MEMBERS PRESENT :

The Hon. Sir FRANCIS HiNCKs, K.C.M.G., C.B., Chairman.

| Hon. Mr. Anglin, | Mr. Dufresne, | Mr. Masson (Terrebonne), |
| :--- | :--- | :--- |
| Hon. Sir. A. T. Galt, | Mr. Fortin, | Mr. Pope, |
| Hor. Mr. Holton, | Mr. Gibbs, | Mr. Robitaille, |
| Hon. Mr. Langevin, | Mr. Keeler, | Mr. Ross (Prince Edward), |
| Hon. Mr. Tilley, | Mr. Lapum, | Mr. Ryan (King's, N.B.), |
| Hor. Mr. Tupper, | Mr. Lawson, |  |
| Mr. Blake, | Mr. Macdonald (Glengarry), Mr. Yalsh and |  |
| Mr. Bolton, | Mr. Mackenzie, |  |

The Committee procceded to the further consideration of Intercolonial Expenditure-
Sandford Fleming, Esq., was in attendance, and further Examined.
406. Mr. Mackenzie.-DID I understand you correctly a few days ago to say that the engineering staff was, as it now stands, rather deficient than otherwise in force ?-Yes.
407. Have the division engineers and assistant engineers all been appointed upon your recommendation?-No, they have not all been so appointed.
408. How have they been made?-The Commissioners under the statute, of course, have the right to make appointments and they have made them.
409. They have been made sometimes without a recommendation from you ?-Sometimes.
410. In that case, what course is pursued; are they sent to you to locate them?-A large staff employed in exploratory surveys, and, as a rule, they re-appointed nearly all that were engaged by me before the appointment of the Commissioners.
411. Mr. Walsh.-IN point of fact, they re-appointed all you recommended?-Yes.
412. Mr: Mackenzie.-DID they appoint a number that you did not recommend?Well, it is so long ago that I hardly remember, but, if my recollection is correct, I recommended some who were not appointed:
413. Your impression is that instead of appointing those you recommended they appointed some others?-In some cases.
414. Now, Mr. Fleming, do you consider all the engineers employed on that road competent men for their duties'? I have no objection to tell you why I ask the question. I have information sent me that a number of those who are employed as engineers on the road are not capable.-It is a question I would rather not answer.

But I insist on an answer.-I can scarcely say that they are not competent: There are sorue men I would not select myself, but I would not liko to say any one of them is not competent.
415. Well, of course, I cannot force you to give an answer, but a negative reply is not the way to answer my question. The pith of it is, that there are a number who are not as competent as you would like?-The relations between the engineer and his staff should be the best possible, and if I were to name any incompetent men, it would create hard feelings.

I do not wish you to name any.
Mr. Walsh.- But that would follow.
416. Mr. Macienzie.-Of course, Mr. Fleming, you have what may be called properly your personal staff, that is immediately about yourself and in your own office, and there is the staff of other engineers in charge of districts and divisions. Those who are in that position are in a somewhat different position, you will admit, from those immediately around yourself. Now, I have reference to them particularly, as I have no idea that you have any incompetent men in your own office. But I wish to ask you if there are any engineers employed in these districts that you would not employ if you had it in your
own power to appoint them?-I am bound to say that if I had the selection myself, I would have made a different choice in some cases. At the same time, I would not like to say that any one of them is incompetent for his duties.
417. What is your opinion about the salaries paid to engineers on the work? - I don't think the salaries are at all too high. I think the salaries of engineers ought to be on a more liberal footing than they are at present.
418. Do you not think that it would be conducive to the efficient performance of the work to have fewer engineers and pay them better?-If the work were not to be finished for a long period, that plan might answer, but if the contracts are to be finished within a reasonably short period, as contemplated by the contracts, the staff is not too large. We need all the engineers and assistants that are on the line.
419. Hon. Mr. Holton.-Mr. Mackenzie's question was, Mr. Fleming, whether a few engineers of higher ability and earning higher salaries would not be better economy and at the same time more efficient than a larger staff at their present pay. I do not think your answer covered that.--I think it did. I do not think we could do without any of the engineers that we have. I think we have too few in some cases at the present moment. Probably we might dispense (and the Commissioners have dispensed) with a good number of subordinates, such as chain-men and rod-men, who are not really engineers and should not be considered on the staff of engineers. They are simply assistants to the engineers and they swell out the list very mnch, whilst an ordinary intelligent laborer would do the same work as they are required to do.
420. Mr. Mackenzie.-Well, you have got.the line all located, $\mathrm{b}:$ ve you not?-Oh, yes! all located.
421. And the drafts made, of course ?-Yes, the first drawings are all made.
422. You have, in fact, nothing more to do but mere details of drawings, and, of course, these are merely for culverts, \&c. ?-Yes.
423. Those who are employed as draftsmen during the progress of the original plan and laying down the survey are not required ncw ?-Oh, yes. We require these men to keep a record of the work in progress.
424. Hon. Dr. Tupper.-That is in delineating. There is a continual delineation of all the work, is there not?-Yes, special drawings have to be made of every structure and during the progress of the work on that structure, alterations may be found necessary, and a record of these alterations is required.
425. Mr. Mackenzie.-You mean bridges?-Bridges and culverts, and the like.
426. But still there is not much of that work to be done on culverts?-There is occasionally. On flat ground there is not much alteration, but on hilly ground (and there is a great deal of hilly country on the line) alterations are frequently necessary, and we cannot tell what the alterations must be until the foundations are excavated.
427. Hon. Mr. Holton. - It seems to me that the only important point brought out by this examination is that the engineers are selected by non-professional men, by the Commissioners (and there is not an engineer among them) to the entire disregard of the recommendations of the only man competent to make such selections, the Chief Engineer.
428. Mr. Walsh.-I may state that the form of notice of appointment was sent to each person appointed, but in that it was stated distinctly that if the person so appointed was found incompetent or intemperate, or was reported by the Chief Engineer as unfit for the duty assigned him, or was disapproved of for any other reason, the Commissioners were to dispense with his services without further notice. One of the first things the Commissioners did was to ask Mr. Fleming for a list of the existing staff and a recommendation frona him of such persons as he might wish to have on the staff, and every person so recommended was appointed.
429. Hon. Mr. Holton.- Have you always appointed those recommended by the Chief Engineer ?

Mr. Walsh.-I do not remember any instance in which we failed to do so.
430. Mr. Mackenzie.-Mr. Fleming says he did recommend persons who were not appointed. Mr. Fleming, can you state what is the proportion of those on the original.
survey to those subsequently engaged ?-I speak quite at random, but I think it is about one-half.
431. Is it not the custom for the Chief Engineer on an important work of that sort, invariably to appoint his assistants so as to have entire control of the work ?-I am quite satisfied that the Chief Engineer ought to have entire control of his staff, and that he alone should conduct the engineering of the line and should not be interfered with in any way.

Mr. Walsh.-In that case the act should have stated that the Chief Engineer, and not the Commissioners, should appoint engineers.

Mr. Mackenzic. -The act might be framed in that way, and yet this be understood, because it would be necessary to have some control under Act of Parliament. We elicited the other day that no discretion as to the location of the line was left to the Chief, Engineer, and now we ascertain that he had not the appointing of his own staff.

Mr. Mackensie:-It is a most unsatisfactory position for the Chief Engineer to occupy. I do not think it at all the position he ought to be called upon to occupy by the Country. We cannot possibly hold two sets of persons responsible at one and the same time.

Mr. Walsh.-In a letter of Mr. Fleming's, accompanying his report last session, reference is made to the staff. Of course, in the point raised as to the appointment of particular persons, the Commissioners have exercised their privilege, but as to the strength of the staff, Mr. Fleming has had his discretion. (Here Mr. Walsh read the letter referred to by him.) In that letter, Mr. Fleming very fairly and very properly assumes the position of having indicated the strength of the staff.

Mr. Mackenzie. - I do not believe in giving first-class professional men poor salaries.
Mr. Fleming.-It is very difficult for us to keep the best men on account of the smallness of the salaries, and, I might call it, the illiberal conditions with regard to travelling expenses.

Mr. Mackenzie.-I have looked over the salaries and my impression is that they are decidedly too low, but I certainly did think, until Mr. Fleming said positively, that it was not the case. I did think there were far more than necessary. Possibly I may hold that opinion yet to some extent, but I am willing to concede a good deal to Mr. Fleming's larger experience.
432. Hon. Sir A. T. Galt.-Do I understand you to say that Mir. Fleming should have the entire selection of his staff?

Mr. Machenzie.-I do.
Hon. Sir A. T'. G'alt.-I cannot agree with you. It does seem to me that the Commissioners should have something to say in the appointment of the staff for which they are responsible.

Mr. Mackenzie.-The Chief Engineer should recommend the engineer to be appointed, and unless the Government or the Commissioners had specific reasons alleged against the appointment, his appointment should be made. I would leave a certain amount of control with them, and make them responsible for that control.
433. Mr: Walsh.-Ts it not a fact; Mr. Fleming, that a considerable number of persons employed are new men, who were not on the line when we were appointed,-have not they been appointed on your recommendation 2-Yes. What I object to, is the appointment of men, for whose acts I am responsible, without my knowledge. I think the Chief Engineer, if he is held responsible for those under him, should be consulted; should know the men before they are appointed.
434. In most instances you have lnown them?-Yes, but in some instances I have not and you know I have remonstiated against it.
435. Mr. Gibbs.-If any of those so appointed had prove. 1 incompatent? Then the Chief Engineer should have power to suspend them.
436. Mr. Mrickenzie.-Have you not had that power?-Not that I am aware of.
437. Mr. Walsh.-Are you notaware that a circular was sent out to the effect that itcompetent persons were to be dismissed ?-Yes, I am aware that a circular was sent.
438. Mr. Gibbs.-Has any report been made to the commissioners of any incompetent
person ?-I have reported aganist individuals, but they have not been dismissed, not for some considerable time afterwards. It was acted on though?-I am not sure that my report was acted upon, but some considerable time afterwards the names were not on the lists.
439. Hon. Sir F. Hincks.-WHAT do you call a considerable time?-Three months.

Mr: Walsh.-I dare say Mr. Fleming can give day and date on which the application was sent.

Mr. Mackenzie.-Then you must give names, and that would never do.
440. Mr. Gibbs.-HAS the name of any person ever been reported as unfit for duty who has not been removed when the Chief Engineer has so reported him : Is any such person still on the line? - Yes.

Mr. Mackenzie.-I think this is so very serious a matter that it requires to be sifted very carefully, because a great deal of the stability and progress of the work depends on the efficiency of the staff. It was because I have felt the necessity to be very strong that I have examined Mr. Fleming to-day. The result has been what I expected : Mr. Fleming has been over-ruled in the control generally, to an extent that I never knew a Chief Engineer to be subjected to before.

Mr. Walsh.-I am not aware, Mr. Fleming, of any person reported by you that has not been discharged.

Mr: Fleming.-I should have said that I have not reported in writing, but I have constantly remonstrated against keeping on persons who were incompetent, and these persons are now on the line.
441. Mir. Gibbs.-IS there more than one?-Yes.
442. And how long is it since you reported to the Commissioners that these parties were unfit, and no action has been taken ? Half a year ago.
443. In writing?-No, I have not reported in writing ; I do not remember having reported in writing.
444. Hon. Sir F. Hincks.-DID you report to a meeting of the Commissioners?To individual members of the Commission.
445. Not at a meeting of the Commissioners, not at a meeting of the Board, but separately?-Separately, and sometimes at meetings too.
446. Hon. Sir A. T: Galt.-The ground being what was stated, incompetence?-Not fitted for the places.

Mr. Gibbs.-I should like to ask Mr. Walsh whether he is aware of any such person having been reported and no action taken?

Mr. Walsh.- I am aware of one person being appointed and on the line now, with respect to whom, Mr. Fleming announced that he was unfit.
447. Hon. Dr. Tupper.-DON'T you think, Mr Fleming, it is your duty, as Chief Engineer, appointed independently by the Government, in a case in which a person is appointed by the Commissioners, of whose competency you are not satisfied-Don't you think it is your duty to put your report in writing ?-If I felt it my duty I would have done it on every occasion. But, I thought it sufficient to remonstrate verbally, and sometimes by telegraph. I was very unwilling, as I have stated, to make a formal report against any one on the staff. I would very much prefer that none such were appointed in the first place.
448. Hon. Af: IVilley.-While I understand you to say there were persons on the road who you would not like to have there, you do not say they were incompetent? Yes.'
449. MIT. Mackenzie.-Of course, in reporting in writing against any person on the line, if that person were not remoyed, the fact of this report in writing being in existence would make it very unpleasant for yon, would it not?-That is one of the main reasons why I declined to report in writing.
450. Hon. Sir F: Hincks.-YOU say "declined"-Were you ever asked to report in writing ? No , never.
451. Then "dectined" is not the right word? -No, I should have said I have never applied in writing.
452. Mr. Mackenzie.-DID the Commissioners ever interfere in the grading?-No•
453. Has the location of the line and all the works upon it been proceeded with in accordance with your own plan ?-Yes, with the single exception, I think, of the character of the bridges. I have always advocated iron, and the Commissioners have not always agreed with me, but they have generally left to me the planning of culverts and structures generally. With regard to the location, except the cases I referred to the other day, there has been little or no interference.
454. Hon. Mr: Anglin.-I think you have put up a wooden bridge on the Missiquash, where you intended to put up an iron one ${ }_{i}$-I think the wooden one will remain there.
455. Was it by your advice it was done?-It certainly was not.

Hon. $D_{r}$. Tupper.-It is well known there was a difference of opinion which is now removed.

Mr. Walse Examined.
456. Hon. Mr. Holton.-Mr. Walsh, upon what principle or system do the Commissioners proceed in making appointments of engineers recommended by the Chief Engineer?-When an appointment is necessary, you can well understand the great number of applications we receive. A record is kept, and when appointments are required, we take up the certificates furnished by those parties as to competency, and make our appcintments.
457. Considering only their professional qnalifications?-That is one of the most important considerations.
458. Mr. Pope.-WHO do you suppose is to be the judge as to whether they can do their duty or not?-The District Engineer reports to the Chief Engineer.
459. Then you expect the Chief Engineer to report to you?-We expect the.Chief Engineer to report to us whether a man is unfit or not.
460. Hon. Dr. Tup;per:-Mr. Light was appointed with your approval, ${ }^{[ } \mathrm{Mr}$. Fleming; the whole of the District Engineers, infact, were appointed with your approval ?-Yes.
461. Hon. Sir A. I. Galt.-No question has arisen with regard to these?-No, they were perfectly satisfactory. It is with regard to subordinates that I complain.
462. With regard to these subordinates, the District Engineers are the ones you look to for expressions of opinion ?-Yes. If I had anything to say in their appointment in the first place, I would always have consulted the District Engineers, in order that they might work in harmony.
463. Hon. Sir F. Hincks.-WHEN you reported against some of those engineers to the Commissioners, was that the report of the District Engineer or not?-Yes.
464. It was on the report of the District Engineer?-Yes; and sometimes on my own motion.
465. Hon. Sir. A. T. Galt.-But, with the concurrence of the District Engineer ?Yes, I was generally with them when the matter was discussed.
466. That is to say there was no difference of opinion between you and the District Engineers?-There is no difference.
46.7. Hon. Sir $H^{\prime} \cdot$ Hincks.-You have no complaint against the District Engineers. Were the complaints you made with regard to subordinates, with regard to engineers in charge of sections, or those subordinate to them?-I made no complaint against engineers in charge of sections.
468. Then it is with regard to subordinates you made complaints ?-And also with regard to inspectors. I complained that inspectors were appointed, of whom I knew nothing.
469. Inspectors of what?-Inspectors of masonry. They should be masons themselves. It is difficult to get a sufficient number of engineers who know enough of masonry.
470. Mr. Walsh.- The gross part of these are persons recommended by you,-Some of them are, but not all.
471. How many?-About half of them.
472. Hon. Sir $I^{\prime}$.Hincks-HOW many inspectors of masonry are there altogether?I cannot say now. There ought to be one on each section; that would be twenty-five
altogether. If there is much masomy going on in one section, more would be required. It would be impossible for one inspector to go over twenty miles.

Hon. Mr. Holton.--Some reference was made just now to the fact, that Mr. Fleming did not report in writing. Now, I have no hesitation in saying, that that harmony which it is essential to have between the Chief Engineer and his staff, is much better maintained by not making formal complaints. We know what that eventuates in. It is a chronic difference between the parties, each going to their common superior; the Government. So far, then, from thinking Mr. Fleming was in fault for not making these complaints in writing, I think he adopted the very best course.

Hon. Dr. Tupper:-The Chief Engineer is a person appointed by Government and is, therefore, directly responsible to them. Thave no hesitation in saying, that if there is any person maintained on the line contrary to his remonstrances, I say, it is his duty to go to the Government and report that he has recommended the removal of such person from the work; and have him discharged. . If it is a matter of sufficient importance-if it is going to endanger the character of the work, I think, if the Commissioners do not respect his remonstrances, it is his duty to communicate with the Government in each such 'case.

Mr. D. A. Macdonald.-In the case of the Grand Trunk Railway, Mr. Ross, the Chief Engineer, had the whole control of the engineers, from one end of the line to the other.

Hon. Sir A. T. Galt.-I will just remind my honorable friend, that so far from that, the contractors provided the engineers themselves. All the practical part of the engineering was done by the contractors themselves.

Mr. Mackenzie.-But Mr. Macdonald is right in this way. There were two classes of engineers. One did the work of details, but the general devising and planning, was that of the Chief Engineer, Mr. Ross, and of his staff, that superintended the work of the contractors.

Hon. Mr. Holton.-Dr. Tupper, a little while ago, referred to considerations which might render it expedient to vest the authority over these subordinates in some other person than the Chief Engineer. I understand his considerations to bepolitical.

Hon. Dr. Tupper.-No, it was in order that there should be a check in such a gigantic work. It gives an additional check if you put the whole control under one man; if the man were a perfectiy good man, that is, if it was impossible that he could do wrong, it - would be all very well in that case. But in the expenditure of a large sum of money, it is an additional safeguard not to have, every engineer under the direct appointment and control of the Chief Engineer.

Hon. Mr. Holton.-There is this to be said, I think, on that point : If you are to have an efficient check on the engineers on the part of the Commissioners, you must have over them a first class engineer, because, it is impossible for a moment to check them. otherwise.

Mr. Mackenzie.-If the Chief Engineer is bound to appeal from the Commission to the Government, in case the Commissioners decline to accept his recommendation, that at once implies a conflict. If the Commissioners decline to dismiss engineers, of whom the Chief Engineer complains, we must suppose that the Government would also decline. In a difficulty like that, the Chief Engineer must resign his position.

Hon. Dr. Tupper.-The ChiefEngineer would relieve himself of responsibility.
Mr. Mackenzie. - But suppose that these engineers should be retained in spite of him, it would become known, and he would soon lose control on the line.
473. Mr. D. A. Macdonald.-To what part of the contract Mr. Fleming do your replies. refer?-My replies had reference to the whole of the contracts on the line, from the beginning; and I had reference mainly to the assistant engineers, and the inspectors of masonry. Latterly, I must say, that the Commissioners have consulted me much more than they did at first, and recently there have been very few appointments made, without first consulting me. In the first place, though, a great many appointments were made without my knowledge, which I think was very wrong for them to do.

In reply to a remark from Mr. Young,

Mr. Walsh said,-My answer was given before the question respecting masonry inspectors came up. At that time, we had simply the question of engineers under consideration. With reference to these appointments, Mr. Fleming will remember that he furnished me a list of persons who I thought he knew were competent persons to act as inspectors of masonry, and no appointments were made, except from that list. It is a very important duty, and I have endeavored, as far as possible, to carry out the wishes of the engineers in the appointment of persons to the position.
474. Mr. Mackenzie.-Does that statement agree with your own recollection, Mr., Fleming?-Yes, I think it is perfectly correct.
475. It was prior to this list being given in, that the appointments were made that you complain of?-It must have been.

The Committee deliberated and
Ordered, To report Evidence.
Ordered, That Hon. Dr. Tupper and Hon. Mr. Holton, do revise the evidence after it is in type.

Adjourned Sine Die.


[^0]:    - Theze are the means of contractors prices in tenders for sections Nos, 1 to 12.

[^1]:    *These are the means of contractors' prices in tenders for"sections Nos, 1 to 12.

[^2]:    

