

## REPORT

Of the undersigned Members of the Graving Dock Committee appointed by this House.

MR. SPEAKER :

We have the honour to submit the following report as the result of our investigation into all matters connected with the Esquimalt Graving Dock :—

1st. That there is no foundation whatever for the statement made in the report lately presented by Mr. Wilson, Chairman of the Committee, that Mr. Beaven suppressed a part of the correspondence from Mr. Sproat, stating that further cement than what had been ordered would be required.

2nd. That the Engineers, by their report in October, 1874, made after a personal inspection of the Dock site by Mr. Morris, estimated the total cost of the present Dock at £100,000.

3rd. That the Engineers decided that the cement which had been purchased in the first place for a Dock intended to have been constructed by the Province with Dominion aid, should be turned into and used in the construction of the present Dock, which was undertaken on a promise from the Imperial Government to give £50,000 towards it.

4th. That the Elliott Government took office in January, 1876, and as appears by the correspondence the first specifications drawn for the Dock were submitted to Mr. Vernon, then Chief Commissioner of Lands and Works, by the Engineers for his approval.

5th. That these specifications provided that the Government should supply all the cement for the Dock, and were approved of by Mr. Vernon.

6th. That, by their agreement with the Government, Messrs. Kinipple & Morris were not entitled to claim the sum of £2,500 from the Government until they had furnished three complete sets of estimates, plans, specifications, and bills of quantities to the Government, and until the Government accepted them in writing.

7th. That, in a letter of the 21st day of July, 1877, the Chief Commissioner, Mr. Vernon, acknowledged the receipt of the above documents and accepted them in writing, and, in conjunction with Mr. Smithe, paid the Engineers \$12,250 for them.

8th. That, although Mr. Vernon's letter alleges that he received estimates of the work from the Engineers and paid for them, his evidence before the Committee shews that he received no such estimates.

9th. That, by the above acceptance in writing, Mr. Vernon completely disposed of all prior questions as to the class of Dock to be built, and finally arranged that the Dock should be of the size and character of the present one, and that all the cement required for it should be supplied by the Government.

10th. That on no occasion have the Engineers intimated that more cement than the original quantity would be needed, except in the specifications and bills of quantities agreed to by Mr. Vernon.

11th. That while Mr. Bennett's evidence shews that he checked off all the machinery, he does not seem to have given the cement any attention, or to have ever checked and compared the quantities received with the quantities required by the specifications, as he should have done.

12th. That, on the 29th December, 1879, nearly two months prior to the letting of the Dock contract, the present Chief Commissioner asked for and obtained from the Resident Engineer an estimate of the total cost of the Dock, which the latter approximately fixed at \$618,000.

13th. That Mr. Wilson, as Chairman of a Dock Committee appointed by this House in 1881, asked for and obtained from the Resident Engineer a detailed estimate of the total cost of the work, which Mr. Bennett fixed approximately at \$620,161.30.

14th. That the duty of the above Committee was essentially and almost wholly one of enquiry into the cost of the Dock, yet the accuracy of the Resident Engineer's estimate was never questioned in Mr. Wilson's report to the House, and the estimate seems to have been accepted as correct.

15th. That, in the opinion of the Hon. Jos. W. Trutch, an estimate of the cost of the work could only be properly based upon the plans, specifications, and bills of quantities, the latter of which show the quantity of concrete and cement required.

16th. That the Resident Engineer should, therefore, as a matter of ordinary duty and precaution, have calculated the cement required on the figures set out in the Engineers' bills of quantities attached to the specifications.

17th. That he cannot have done so, as he only made provision in his estimate of the total cost of the Dock for 100 tons of cement in addition to the quantity originally on hand.

18th. That although the Resident Engineer informed the Chief Commissioner that he had to use more cement than originally contemplated to bring it up to the standard, yet in his letters to the Chief Commissioner, and in his interviews with him, when asked for advice and consulted, he led the Chief Commissioner to believe that no more than 100 tons would be required, and that even this amount would not be necessary except running water from springs in the foundations was met with. The Resident Engineer also provided, in his annual estimates submitted for a vote of this House in 1879 and 1880, for 100 tons of cement only, although in the latter year the Dock was in course of construction.

19th. That he never seems to have informed himself of the cement required by the bills of quantities and specifications until he was directed in November last to go over them carefully so as to justify his first application then made for more than 100 tons.

20th. That on the 12th November, 1881, he accordingly reported for the first time that 4,400 tons would be required.

21st. That several calculations have since been made by him and other Engineers, showing a considerable increase of these figures.

22nd. That Messrs. Kinipple & Morris, in reply to two telegrams sent them, have informed the Chief Commissioner that 5,000 tons is the total quantity needed under the bills of quantities. The last telegram is dated the 16th March instant. Deducting the original 716 tons from this amount the balance would be about 4,400 tons.

23rd. That, assuming the figures of these eminent Engineers to be correct, the further cost of the work would be about \$165,000. This would include the caisson and all the cement required, which it may reasonably be inferred can be procured at much lower rates than hitherto, in consequence of the larger quantity wanted.

The payment of this sum of \$165,000 can be partially met by about \$150,000, which will be available from the subsidies of \$500,000 after completing the work at Messrs. McNamee's contract price of \$351,000, thus leaving the Province to provide in the future for \$15,000, or \$20,000 at most.

24th. That Mr. Bennett's agreement with Messrs. Kinipple & Morris, required him to give his whole and undivided attention to the Dock work.

That his private agreement with Messrs. Kinipple & Morris as to terms of service and salary, is not contained in any agreement between the Government and the Engineers.

25th. That by the terms of their agreement with the Government, they agreed to supply and pay the salary of the Resident Engineer until the Dock should be completed, the time for completion being left indefinite; and no consent has ever been given to vary this agreement in this or any other respect.

26th. That the Contractors for the Dock have not supplied their own cement, but the advice of Mr. Morris given in 1874 that they should take it over has been in practice followed, as it has been taken and used by them.

27th. That in any event, it was decided in 1877 and agreed upon by Messrs. Kinipple & Morris and Mr. Vernon as Chief Commissioner, that the cement should be supplied by the Government, and a clause to that effect was consequently inserted, and now appears in the specifications which Mr. Vernon accepted in writing.

28th. That the changes in the specifications by the present Chief Commissioner, were made so as to make them conform to the Laws of the Province, and that they in no way absolve the Engineers from their responsibilities, as they are responsible for the advice given to the Chief Commissioner by the Resident Engineer.

29th. That the Chief Commissioner more than once directed Mr. Bennett to go over his calculations as to the 4,400 tons, and verify them so as to place them if possible beyond doubt.

30th. That the orders for cement lately given by the Government in consequence of the Engineer's errors were fully justified under the circumstances, and were authorized by the Dock Acts, of 1879 and 1881.

31st. That the cement purchased in San Francisco was ordered by the Chief Commissioner personally, from Welch, Rithet & Co., and the quality stipulated for was the best Portland Cement, of White of London.

32nd. That the Government in depending upon the advice and recommendations of the Engineers and Resident Engineer in all matters relating to Dock material and construction, have acted prudently, and no blame can in fairness be attached to them for having been led into error, either by the Engineers or by the Resident Engineer, the latter of whom supplied two estimates of the total cost of the work, the first of which, amounting to about \$618,000, was given, as already stated, to the Chief Commissioner before the contract was let, and the latter amounting to \$620,161.30 was shewn to him in February, 1881, before it was handed to the Dock Committee of last Session.

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33rd. That the Dock Committee of last Session, of which Mr. Wilson was Chairman, was similarly misled by the Resident Engineer, and hence no suggestion of carelessness on their part has been made, though their special duty was to enquire into the total cost of the Dock in connection with a proposal to substitute granite for sandstone.

(Signed) R. L. T. GALBRAITH,  
H. HELGESEN.

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