
SECOND REPORT OF SELECT COMMITTEE.

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GRAVING DOCK CONTRACT.

MR. SPEAKER :

Your Committee upon the circumstances under which local partners were admitted by F. B. McNamee & Co. in the contract for the construction of the Graving Dock, having had their previous report referred back to them by the House, with instructions to reconstruct section six so as to show when, and by, or to what member of the Government the profit of \$150,000 was demonstrated, beg to report that they have reconsidered clause No. 6 of their former report, and submit their report as before and as hereto annexed, with the exception of clause 6, and with the following in lieu of clause 6 :—

“6. After Mr. McNamee's arrival in the Province to go on with the work, he stated to Mr. Walkem that he might make a profit of \$125,000 or \$150,000 out of the contract, and Mr. Walkem, after making the calculations on Mr. McNamee's figures, and having it checked by Mr. Bennett, the Resident Engineer, found that he ought to make a profit of \$150,000.”

THEODORE DAVIE,
C. B. SWORD,
G. B. MARTIN,
HENRY CROFT,
JOHN GRANT.

VICTORIA, B. C.

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PETITION.

To the Honourable the Speaker and the Members of the Legislative Assembly of the Province of British Columbia in Parliament assembled.

The humble petition of the undersigned taxpayers and owners of lands upon the Serpentine River, assessed or proposed to be assessed under the Surrey Dyking By-Laws, sheweth:—

That, in the year 1889, a petition was presented to the Municipal Council of Surrey, asking that certain works be constructed at the mouth of the Serpentine River, for the purpose of dyking and draining the lands above mentioned, the cost of the same to be levied upon the lands benefited thereby:

That, in the same year, the Council aforesaid let a contract for the construction of the said works, under bonds and sureties for the proper completion of the same:

That, on the tenth day of August, 1889, a by-law was finally passed by the Council to raise the sum of \$12,000, to provide the cost of the said works, which sum exceeded by \$3,000, more or less, the amount of said contract:

That your petitioners consider that these acts of the Council limited the liability of the owners of the lands proposed to be dyked, either to the amount at which it was contracted, under bonds and sureties, to construct the said works, or to the sum proposed to be raised by the said by-law:

That, on account of certain defects in the construction of the said works, the Council refused to accept the same, and, failing reparation by the contractor, the Council completed the contract by day labour, and is now suing at law the bondsmen and sureties for the cost of the said completion of contract:

That neither the above-mentioned by-law, nor the subsequent expenditure of money by the Council, was submitted to the taxpayers of the municipality for their approval, or authorized by them, although the credit of the whole municipality was pledged in the said by-law:

That in the British Columbia Gazette of January 15th, 1891, appears a by-law respecting the "Surrey Dyking and Drainage By-Law, 1891," which proposes to levy an assessment of \$25,000, in the place of the \$12,000 mentioned in the by-law of 1889, upon the lands benefited, or supposed to be benefited, by the said works:

That this by-law has never received the assent of the taxpayers, and proceedings have already been commenced to have it quashed in the Courts of Law:

That, if this by-law were good in law, a great injustice would be done to your petitioners, who claim that they are not responsible for the bad faith of the contractor and his bond and sureties, nor for the mismanagement or illegal conduct of the members of the Municipal Council:

That your petitioners hear with alarm that an attempt is being made to pass a legitimating and indemnifying Bill through your Honourable House for the purpose of legalizing the illegal acts of the Council of Surrey, and of making the above-mentioned by-laws valid, "notwithstanding any defect in the substance or form in or about the passing thereof," &c., &c.: