

Q. And attached to it is the resolution of the railway directing the execution of a document for its confirmation by the president?—A. Yes. That is a resolution authorizing the signature of the contract between the company and me. This appears to be a copy of the contract.

Q. At the end of it is the ratification signed by Theodore Robitaille, President of the company?—A. Then President of the company.

Q. Under this contract Mr. MacFarlane was to build 60 miles of the road?—A. No, 20 miles.

Q. And to complete 40?—A. To complete the work to be done on 40 miles.

Q. That is, to complete the first 40 and build the third 20?—A. To build from miles 40 to 60.

Q. That is what I mean—the third 20. He was to be paid 5 per cent. advance on the cost of material and bank interest which he was compelled to pay in securing advances? Is that right?—A. I believe that is so.

Q. He was to get 12½ per cent. on the expenditure for labour?—A. That would apply for labour and material not provided for in schedule of prices.

Q. The schedule is attached to this agreement?—A. Yes, and for everything not mentioned in the schedule he was to be paid a commission.

Q. But I mentioned the correct figures?—A. You have the agreement there—from memory, I believe those are the correct figures.

Q. To secure the payment of amounts due to him he had an assignment of the subsidies?—A. They were not assigned to him,

Q. He was to secure the payment of certain subsidies?—A. By the transfer of the subsidies in trust.

Q. Do you remember the figures?—A. I think \$260,000.

Q. Sixty-two thousand transferred out of the Dominion subsidies for the first 40 miles?—A. I am not sure of that, but the total amount I think was \$260,000.

Hon. Mr. POWER.—If these things were in the contract the contract itself should be put in as evidence. We want the best evidence.

The COUNSEL.—They are all in the contract, but I am examining an unwilling witness and testing his memory.

The WITNESS.—I object, Mr. Chairman, to being called an unwilling witness. I am willing to tell everything the Committee has a right to ask; but when a matter occurred five or six years ago I think I have a right to refer to the documents. Anyone might make a mistake about a matter that took place so long ago.

Q. Is this the clause with regard to the payment of the subsidy—read it please?—A. (reading) “And for securing the said payment so to be made by said contractor to said sub-contractor, the said contractor hereby agrees to execute a notarial transfer of the subsidies granted by the Government of Canada towards the construction of said railway and applicable to said sixty miles of railway amounting to sixty-two thousand dollars upon the first forty miles, also the sum of one hundred and twenty-eight thousand dollars applicable to the twenty miles of new road in extension of the forty miles, that is to say, forty to sixty, and also the sum of seventy thousand dollars granted by the Quebec Government on said twenty miles of new road and furnished to said sub-contractor all necessary power and authority to obtain said subsidies, which subsidies shall be paid in trust into some chartered bank to be named by the said sub-contractor, and paid out to him as the work progresses and as the same shall have been earned from the Government, and upon the completion of said work and of this contract, whatever balance may remain of said subsidies, after paying said sub-contractor in full, shall be paid over to said company.”

Q. So that there was the \$62,000, and \$128,000 and \$70,000, making in all \$260,000, the amount you mentioned. Now, you remember of course the difficulties that arose with Mr. MacFarlane through his failure to go on with the contract?—A. Yes.

Q. That resulted in his making an assignment to a curator in Quebec?—A. In Montreal.