

It was not to be expected that Mr. Bell and Mr. Mitchell could supervise the distribution of the expenditure. That must of necessity be made under Mr. Kelley and the officials of the Grand Trunk. Something may be said later on as to how that money was spent. However, one man was trusted by the people of Canada as the head and front of the aggregation, to control it, and that one man certainly had the undivided support of the people of Canada in accepting the position: that was Sir Joseph Flavelle. In pursuance of the duties which were entrusted to him he looked into the economies between the two railway systems. There was no doubt that there existed a great gulf between the positions of the two gentlemen, Sir Joseph Flavelle and Mr. Kelley, because Mr. Kelley was an employee of the people of Canada on a salary of \$60,000 a year, if my information is correct, whereas Sir Joseph Flavelle was assuming the onerous duties entrusted to him, not for any monetary considerations, although his expenses were paid, but simply with a desire to carry out those duties, as he had been requested by the Government. His appointment had been endorsed by prominent Liberals throughout the country. When Mr. Howard Kelley was associated with a man of the stamp of Sir Joseph Flavelle, it behooved him to be on his honour, if he knew what honour meant. What do we find? We find that towards the close of last year, when it had been announced that the services of certain persons were to be dispensed with Mr. Kelley had in his possession confidential letters from Sir Joseph Flavelle. I do not use the word "confidential" in the sense that the public must not see them, for they were the people's documents; but surely there might be confidences exchanged between two gentlemen occupying their positions. Sir Joseph Flavelle, in the discharge of his duties, had written to Mr. Kelley a certain letter to which I will make particular reference. He speaks about conferences they had had in respect to the reduction of staff with a view to affecting economies. I am charitable enough to assume it was for that purpose. Sir Joseph Flavelle, as chairman of the committee, called Mr. Kelley's attention to what was going on:

Sir Joseph Flavelle, Chairman of the Railway Board, wrote to Mr. Howard G. Kelley, President of the Grand Trunk Railway, under date of October 6th last, a letter touching the pension record of Mr. W. H. Biggar, Vice-President and General Counsel of the Grand Trunk Railway:

"I am led to query if we should renew now the question of the retiring of some of the

senior men, not a year hence, but at the end of the year."

Again he says:

"If you are working up on your plans will you kindly report progress to the (next) meeting of the Board."

Again, on the 3rd of December he asks for an answer to the letters. This Mr. Kelley, this \$60,000 employee of the people of Canada, deliberately takes that letter out of the office where it was on the official file and shows it—to whom? He must have shown it to the proprietor of the Montreal Star, Mr. Hugh Graham, Lord Atholstan. Honourable conduct or dishonourable conduct? This Government knows that he did that, and yet this Government retained him. Why did he do it? To gain a political advantage; for that reason and no other. Did he prostitute the position that he held? Mr. Kelley knew just as well as he knew that the sun would rise next day that there were going to be changes in the management of the Grand Trunk railway. Mr. Kelley did not want to see those changes made, and he was going to take the chance that a political change might enable him to hold under a new Government the office he then occupied. So this gentleman, Mr. Kelley, took the letter down and handed it over to the proprietor of the Montreal Star and the proprietor of the Montreal Star made it public.

Hon. Mr. CASGRAIN: In justice to Mr. Kelley may I say that he denied having shown that letter to anybody.

Hon. Sir JAMES LOUGHEED: How did it get out?

Hon. Mr. BENNETT: All I can say is it is rather a belated denial. It has never appeared in the public press.

Hon. Mr. POPE: Hear, hear. Nobody knows of it.

Hon. Mr. BENNETT: What happened next? Mr. Kelley, or some person, having taken this letter out, a certain notable personage in the province of Quebec must have been approached and asked if he would make public the contents of the letter. Who was that gentleman? No less a personage than the present Minister of Justice of Canada. I believe that Sir Lomer Gouin was too old a bird to be caught with a newspaper effusion, and before he made the statement he did make I believe Sir Lomer saw the original. I do not assert positively that he did see it, but I give him credit for being astute enough not to go and