

them the opportunity of making money out of the manufacture of these munitions.

That the Conservative member for Prince Edward County, Mr. Bernard Hepburn, had obtained for his firm Hepburn Bros. of Picton, Ont. a very large order from the Shell Committee and immediately took it to Montreal where it is being worked by another concern, Mr. Hepburn, member for Prince Edward County being simply the go-between or middleman in connection with the transaction.

That Mr. E. A. D. Morgan, Conservative candidate for Richelieu County, Quebec, got an order from the Shell Committee at a considerably higher price than that which had been previously given to other manufacturers for the same kind of shell.

That a gentleman closely connected with a member of the Shell Committee had demanded $1\frac{1}{2}\%$ commission from a firm in Toronto who was about to receive an order for shells. The demand was made with a threat that if the commission was not paid the company could not get the order for the manufacture of shells. The company refused the commission AND TO THIS DAY THEY HAVE NOT RECEIVED THEIR ORDER FOR SHELLS.

That his information is that millions upon millions of dollars have been taken out of the British taxpayers and out of the people of Canada by reason of the payment of these excessive prices.

That Mr. Jones, a very prominent man, manager of one of the greatest manufacturing plants in Canada, was particularly persistent and determined to obtain a contract for his company. Instead of asking the price which the Shell Committee had been paying, and which no doubt they would have continued to pay, he submitted a lower price, and after much persistence he did secure a contract. It is stated that the result of Mr. Jones' persistence is to save the people of Great Britain and Canada something over twenty millions of dollars.

That the Australian Government were manufacturing shells at a cost of \$5.05 each for which identical shell Canada was asking from Great Britain \$6.70 to \$7.00 each.

That responsibility must rest upon the shoulders of the members of the Shell Committee, who were paying themselves these excessive prices, who stood in the position of both buyers and sellers, and who could not reduce the prices to outside manufacturers without reducing the prices to themselves. The whole business was of the most objectionable character, and one that demands the fullest and most complete investigation by a committee of this Parliament.

Fuses.

That the Shell Committee purchased in the United States millions and millions of fuses at \$4.00 and \$4.50, when Canadian manu-

facturers were ready to do the work at \$3.00 and \$4.00 a fuse.

Shell Boxes.

That a merchant in the Minister of Militia's (Sir Sam Hughes) own constituency got an order for shell boxes, but having no plant immediately proceeded to farm it out.

Hon. Wm. Pugsley, in the House of Commons, January 18th and 19th, 1916.

Hon. Frank Oliver, Member for Edmonton, Alta.

Expenditure of War Money.

We are at one with him in desiring unity of action in this great world crisis, but the people of Canada, who must pay the price in money and blood, ask at the hands of those who for the moment have the administration of our affairs, that the handling of the money, and, shall I say, the direction of our blood, must be characterised by honesty and efficiency to the end that the cause in which we are engaged shall triumph.

Of the sum of \$50,000,000, at least one-half or \$25,000,000 has been used for the purchase of munitions and supplies; and if we can place the average overcharge at not more than 25 per cent, we find that the people of this country paid \$6,000,000 out of that \$50,000,000 of such trust funds in undue profits distributed amongst the political friends of the Government in power.

Hon. F. Oliver, in the House of Commons, January 18th, 1916.

Mr. G. W. Kyte, M.P. for Richmond, N.S.

Manufacture of Shells.

It is well known all over Canada that it has been absolutely impossible to get a contract for shells from the Committee unless the applicants had the endorsement of certain Conservatives in the sections of country from which they came.

Appointment of Inspectors of Shells.

Speaking of the appointment of inspectors for the manufacture of shells, Mr. Kyte read letters from the Conservative candidate of his constituency, which contained the following:

That unless these inspectors got a recommendation of the Borden Club at Sydney, he would have no chance of securing one of these positions and these letters were signed by the Conservative candidate John C. Douglas, Glace Bay, C.B., July 29th, 1915.

Mr. G. W. Kyte, M.P., in the House of Commons, January 20th, 1916.

Hon. Chas. Murphy.

The Hon. Chas. Murphy reading from the Electrical News of Jan. 1st, 1916:

So many stories have been whispered, so many charges have been flung broadcast that to remain silent must simply be taken as an