I said "then you monies in his own possession. prefer to take their orders instead of mine?" then asked me to excuse him for a few minutes, I On his return, about five minutes left his office. later he said he had telephoned to two or three senior captains and they told him not to hand the monies over to me, but to hold them in his own name as they claimed these monies could only be used on a note of the officers. I at once gave Mr. Mitchell the following instruction in writing:

W. G. MITCHELL, Esq., Lieut. Q.O.R. Toronto.

SIR, -I hereby authorize and instruct you to hand over to me before 12 o'clock noon to-morrow, Wednesday all the monies now deposited in your name to the credit of the suspense account of the Q.O.R., of Canada.

This is what Col. Otter says:—

According to the standing orders of the Q. O. Rifles, the Sec.-Treasurer is justified in not making payments without the sanction of the Finance Committee.

The Finance Committee was opposed to any money being given, so according to Col. Otter's own statement, the treasurer was Here is another justified in refusing. letter from Col. Otter on the 27th February:-

I have the honour in reply to your memo of 25th inst., respecting the meetings recently held by the officers of the Q. O. Rifles, to report that without having actually seen the minutes of these meetings I am able to give a rough statement of the proceedings thereat, obtained from a very reliable At the first or regular annual meeting on the 5th instant, considerable discussion took place over the financial state of the Battaliou, and when it became necessary to elect the various committees required, great difficulty was experienced in obtaining officers to accept places on these committees, those on the Band Committee could not be obtained at all, while the vacancies on the Finance Committee were filled by junior officers, and ultimately the senior of the three elected resigned from this office. A special committee was appointed composed of a field officer and two captains to report upon a scheme for the improvement of the finances of the corps. This meeting then adjourned, after a session of nearly five hours. the adjourned meeting, held upon the 19th inst., the special committee on finances suggested two or three schemes to meet the emergency, none of which, however, met with approval. resolution was proposed by the two senior captains to the effect that no subscription should in future be paid by the officers nor should their annual drill pay be turned over to the regimental fund as has hitherto been the custom; this motion Lieut-Colonel Hamilton very properly, I think, refused to receive as any but a notice of motion, demanding as it did so radical a change in the administration of the affairs of the corps. This meeting then adjourned after nearly four hours duration. lowing this meeting some four or five officers, whose names had been upon a bond given the Dominion Bank as security against over-drafts, withdrew their names from such bond, and the bank then that in the event of his declining to retire volun-

refused to honour any cheques made by the scretary-treasurer unless funds to meet them were actualy deposited. At this meeting, held on the 24th instant, the commanding officer proposed the discussion of ordinary business matters which it was necessary to settle, but the mover of the resolution respecting the abolition of subscriptions, etc., brought forward by him at the last meeting, asked that this should now be discussed. To this Lieut-Colonel Hamilton declined to consent, stating that it could not be brought up until it was made a notice of motion, and time given for it to This decision produced a dead-lock, be considered. as the officers declined to produce other matters, and the meeting adjourned sine die. Thus the matter now stands with a more bitter feeling than ever between the commanding office and his officers; it is strongly denied by the latter that there is any combination whatever, but as they have no confidence in Lieutenant-Colonel Hamilton, and as they furnished the funds to keep up the band, &c., they claim a right to cease these payments if they choose. I can get you copies of the minutes if necessary, but the above gives, I think, a fair synopsis of the situation..

(Sgd.) W. D. OTTER, Lt.-Col, D.A.G., M.D.

After having received the above documents and carefully inquired into and ascertained the exact position, seeing that unless there was a change it meant the disruption of the battalion, the General addressed to me the following report, dated March 5th.

I regret to say that my attention was called indirectly some short time back, to the unsatisfactory condition of things existing in the Queen's Own Rifles of Canada, at Toronto. I therefore write, confidentially, to the Deputy Adjutant General, No. 2 District, instructing him to furnish me with a full report on the subject. This report is attached, dated February 22nd. It is ably and dispassionately written, and I think, contains the full explanation of everything, namely, that for a long time past the commanding officer of the corps has ceased to enjoy the confidence of his officers. As I was aware that I should get further matters on which to take action, I waited before bringing the matter to your notice; but now the commanding officer has brought the question before me officially, and I think the time has come when I should lay my opinion before you. I am all in favour of supporting a commanding officer to the utmost in all matters affecting dicipline, and the last thing I should desire, would be to encourage a cabal, or combination, raised by officers against their superior officer. But I also recognize that, especially in the case of voluntary military corps, the first and most vital necessity is, that the commanding officer should gain the confidence of those under When he fails to gain this confidence, I look upon his retention of his command as injurious to the interests of the regiment. Lt.-Col. Hamilton does not enjoy the good will or confidence of those under him, therefore I think he should make way for some officer who would be found to succeed in this respect. I recommend, therefore, that Lt.-Col. Hamilton be asked to retire, and be informed