

## THE MEREDITH-DUFF REPORT

A careful reading of the Meredith-Duff Commission report makes it clear, we think, that the Commissioners considered the evidence, to a large extent, from the point of view that because we are at War we must not criticize men in office too severely. In making this statement we intend no reflection on the Commissioners, both of whom are high-minded and honourable men, who without doubt reached their conclusions in a thoroughly conscientious manner. Nor do we quarrel with the report, on the whole. Properly interpreted it is a condemnation of the Shell Committee no matter how soft the language employed may be. We cannot, however, entirely adopt the point of view above referred to. In the main and on all big questions of policy towards the successful prosecution of the War the hands of the powers that be should be upheld. But in questions involving honor, honesty and efficiency in Administration, we think men in authority should be held to even stricter responsibility and accounting in times of war, when national interests are at stake and the people generally are compelled to make sacrifices of life, health and wealth.

The Liberal Party has performed a genuine service to the country in bringing to light the serious state of affairs disclosed before the Commission, and we venture to say that untold indirect good will result from it because it puts the fear of the Lord in the war grafters and toll takers, who felt immune from exposure so long as the Tory doctrine of "Hands Off" until the close of the War held sway.

Though the Commissioners leaned on the side of charity and mercy, the gravamen of the Liberal charges was well established. The pith of these charges was that \$1,000,000 toll was taken; that Col. J. Wesley Allison, the acknowledged guide, councillor, agent and friend of Sir Sam Hughes dipped his hand into the till to the tune of over \$200,000; that the graze fuse contract was awarded at an excessive price, and that the graze fuses could have been made in Canada. All this was clearly established.

Sir William Meredith was right when he said in the course of the enquiry that the ultimate verdict will come from the people, and the Liberals have no fear as to what that verdict will be.

### A Very Striking Contrast.

One of the outstanding features of the report is the exoneration of Sir Sam Hughes and the condemnation of his friend Allison.

The contrast between what Sir Sam Hughes and the Commissioners say of Allison is very striking. Under examination at the enquiry Sir Sam said:—

"Q.—He (Allison), says that you said there was no objection to his taking a small commission. Do you remember using these words? A.—Yes, I do, I didn't see any reason why he should not."

*(Vide page 1235 of the evidence)*

"Q.—Having heard his (Allison's) statement, is your feeling towards Mr. Allison at all changed? A.—Not a particle,—strengthened."

"Q.—Strengthened by what he said; and still worthy of trust and confidence on your part if you choose to give it to him? A.—I know no man in this room I

would rather trust than Allison to-day, and that is saying a good deal."

"Q.—I don't know including the lawyers? A.—There are a lot in the room besides lawyers."

"Q.—I ask you if your confidence and trust have been strengthened by hearing his evidence in the box? A.—It has."

"Q.—And being so strengthened I suppose you would continue to trust him just as you formerly had done, and even more so if necessary? A.—I have told you I won't answer your hypothetical questions; if you put your questions in proper English form I will answer them, not otherwise."

"Q.—Would you trust him still further? A.—I would."

*(Vide page 1251 of the evidence)*

"The only thing is this, I think that a great injustice has been done Allison, and I think that if the public knew the facts of the case he would wear a little crown."

*(Vide page 1277 of the evidence)*

The Commissioners on the other hand say Allison's conduct could neither be justified or excused, and that his explanations cannot be accepted. The Commissioners make no comment on Sir Sam's championship of Allison's conduct.

### The Excessive Prices.

On the question of the price contracted to be paid for 1,666,666 graze fuse, Col. Carnegie may very well congratulate himself on the mild censure contained in the Commissioners report. The worst the Commissioners say, was that he, Carnegie, exposed himself to criticism in failing to check his judgment by reference to available information as to prices. In our opinion the evidence on this vital point indicates that Carnegie did not exhibit the business ability of even a school boy. The man Cadwell, with whom he was dealing, and to whom he gave the price of \$4.00 per fuse (subsequently reduced to \$3.72½ on account of the loading factor being eliminated), had previously completed an order for practically the same fuse for the British Government at \$2.40 per fuse, yet Carnegie made no enquiry from Cadwell or anybody else as to the price Cadwell got under that British contract, and Cadwell—shrewd Yankee business man—of course did not volunteer the information. It is important to remember too that the body of the fuse supplied by Cadwell to the British Government was made of brass whereas the Canadian contract called for steel, which as everybody knows is very much cheaper than brass. An effort was made to show that new machinery of great value had to be purchased by Cadwell to make steel bodies, but the actual value of this was not at all clearly established, and it is perfectly certain that the difference between the cost of the brass and steel more than off-set any additional machinery cost. This will be apparent when it is explained that the weight of the brass of the body supplied under the British contract was about four pounds, with brass selling at 22 cents per pound, and the steel body weighs less. A very high price for the steel would be about 5 cents per pound.

Then it also appears by the evidence that the American agents (J. P. Morgan & Co.) of the British Government had placed orders in the United States for the same unloaded fuse at the same time at prices ranging from \$1.75 to \$2.75.