

ment has fixed the amount, they are to investigate and see that the money has been earned according to the contract ?

A. Well, we have to take certain certificates—

The CHAIRMAN.—There is no payment provided for these specific items, is there ?

Mr. BARKER.—I am just coming to that. 'The company agrees to expend in carrying out its operations a sum of money not less than £3,000 or \$15,000 annually, which is to be accounted for at the end of each year ending June 30, together with satisfactory proof in the form of vouchers, &c., showing that the expenditure has been made.' Have you ever looked to see whether they are doing that ?

A. That contract is dated 1904, is it not ?

Q. Yes.

A. That does not apply to the bonuses under discussion.

Q. Well, you have been having these lists for the last six months and I will ask you, do you look into any of the features of this contract ?

A. We certainly do.

Q. This is only putting into writing what has been going on since 1901.

A. Yes, but the contract on which the bonus is paid is dated 1902.

Q. Mr. Foster tells me that the same provisions is in the contract of 1902.

A. Yes.

Q. I am only asking you whether you do it ; not whether you ought to do it or not.

A. We do not do it because we could not possibly do it. For one reason we have to take, in many cases, the certificate of the responsible officer.

Q. Did you get that certificate ?

A. Yes, in the same way that we get other certificates.

Q. Did you get a certificate that they had spent £3,000 that year ?

A. We got a certificate from the Superintendent of Immigration that these amounts were due to them and it is his duty to see that the contract is lived up to.

Q. We know that he certified that the company is entitled to £1 per head for everybody coming out, whether they got them or not, but when they agree to spend £3,000 did you ever see that this amount was expended before you authorized the payment of £1 per head ?

A. We certainly did not.

Q. Then you have no certificate from any one ?

A. On the certificate of the Superintendent of Immigration that these amounts are due to the company and that they arrived here.

Q. Certainly, but something had to be done to earn that money.

A. Well, that amount would not be due to the company unless the company had fulfilled its agreement.

Q. What is the audit department for, but to see whether the departments are correct in certifying to accounts? You do not mean to say that you are to accept any certificate that comes to you ?

A. We certainly cannot go back to Amsterdam and other places to ascertain whether they have expended this money.

Q. At the end of each year it was the business of this Trading Company to render accounts showing that they had spent in that year \$15,000 in advertising Canada, and encouraging emigration. Did you ever look at that at all before you authorize these payments amounting to \$111,000 ?

A. I do not believe there was any necessity for us to get that information. The Department of the Interior got that information and were satisfied that they were able to certify that these amounts were due.

Q. Then you do not consider it any concern of your department that that \$15,000 may, or may not, have been expended in any year ?

A. No, I do not.

Mr. E. E. STOCKTON.