

and Owen E. Murphy, who were present, drew up and signed a memo. embodying the agreement, and also other agreements of a kindred nature relating to the works being carried on at Lévis and Esquimault. The memo. is as follows:

(Exhibit "M5.")

"If contract is entered into with Harbour Commissioners, and approved of by the Minister of Public Works, for eight hundred thousand yards of dredging at thirty five cents, to be dumped in river, or if in more difficult place to be paid extra, we give 25,000. All over 200,000 at Levis Dock. Extras British Columbia about 73,000, of which we give, 23,000.

"LARKIN, CONNOLLY & CO."

This memo. was handed to Robert McGreevy, or O. E. Murphy, and they both swore that it was taken by them and submitted to Thomas McGreevy, who said it was all right.

The figures 25,000 in the memo. were proved to mean \$25,000.

Subsequently Larkin was requested to go to Quebec to see his partners on important business. He reached there on the 1st of February. The agreement was communicated to him and consented to by him at a meeting of all the partners except Michael Connolly, who had then left for British Columbia, and was consented to by him.

Mr. Larkin at the time made a memorandum of the transaction, which in his evidence he read and explained as follows:

(Exhibit "B15.")

"Quebec, February 1st, 1887.—Memo. of meeting this afternoon at the residence of N. K. Connolly, between N. K. C., O. E. Murphy, R. H. McGreevy and P. Larkin, and agreed that "twenty-five," "it does not go any further, but I know that that "twenty-five" means \$25,000. The memo. goes on, "and agreed that 'twenty five should be given and charged to dredging contract if obtained. If not obtained, to be charged to B. C. and Q. H. I., and that a former proposal, a memo. of which was taken by M. Connolly, should be cancelled."

Mr. Larkin swore that the words "twenty-five," meant twenty-five thousand dollars, and of that there could be no doubt.

The evidence showed conclusively that while contemplating the possibility of their not getting the contract the firm was quite willing to take the risk, deeming it, as one of the witnesses expressed it, that they had good security for it in the fact "that they had given Robert an interest in the work."

\$20,000 of the \$25,000 were almost immediately paid to Thomas McGreevy. The money was drawn by means of four cheques made by Larkin, Connolly & Co. to the order of Nicholas K. Connolly and endorsed by him. As to the payment of the \$20,000 there is no substantial dispute. The remaining \$5,000 were, according to Murphy's statement, to be retained in his hands, and paid out to promote Thomas McGreevy's election. He swears to the disbursement of the \$5,000 for this purpose and of \$2,000 additional. This \$2,000 was, after a good deal of disputing, allowed to Murphy by the firm of Larkin, Connolly & Co. and charged to expense account, in the same manner as the \$25,000. As to whether the whole of this \$7,000 was disbursed by Murphy for Thomas McGreevy's election a good deal of evidence was given, but the matter is quite unimportant, so far as the public is concerned, and we give no finding upon it.

In April following, and after the elections were over, Thomas McGreevy having been again returned as a member for Quebec West, was in Ottawa attending Parliament. He then and there appears to have carried out his part of the compact and secured for the firm the dredging contract. The history of his dealings may be gathered from his letters to his brother, written at this time. On the 16th April, 1887, he writes, (Exhibit "E2"):

"MY DEAR ROBERT,—I have just seen Perley about dredging. I have arranged to meet him on Monday to discuss his dredging report before he sends it to the Harbour Commissioners, also other matters about Graving Dock, &c."