

It can therefore be assumed that these two drafts totalling \$900,000, less commission were received and cashed by the Electric Boat Company of New Jersey.

What about the third draft for \$250,000, (less commission)?

This was payable to J. V. Patterson of Seattle and endorsed by J. V. Patterson and had the stamp of the Canadian Bank of Commerce, Seattle.

This should be sufficient proof that \$250,000 went elsewhere than to the Electric Boat Company of New Jersey.

ANOTHER APPARENT LOSS TO THE COUNTRY OF \$250,000.

Bicycles

450 purchased from Canada Cycle & Motor Co., at a cost of \$62 each. 570 purchased from Canada Cycle & Motor Co., at a cost of \$55 each. 200 purchased from Planet Bicycle Co., Toronto, at \$55 each; total number purchased 1220 at a cost of \$70,250.

How were these Bicycles Purchased?

By T. A. Russell, the expert of the Department.

From T. A. Russell, the general manager of the Canada Cycle Company.

On the recommendation of T. A. Russell, a friend of General Sam Hughes.

Competition ignored, and catalogues from other Bicycle firms thrown into the waste paper basket.

Before the Public Accounts Committee on March 23, 1915.

Mr. G. M. McWilliam of Toronto, General Manager of Hyslop Brothers, Ltd., manufacturers of standard bicycles, gave evidence and swore: **That his firm tried three times, by letter addressed to an official of the Militia Department, to get a chance to tender for Bicycles.**

That they never got any answer of any kind.

That they could have supplied any quantity of bicycles equal in every respect to those bought by the Government for \$34 each in lots of 50 to 100 and at a less price for an order of 1000 bicycles or more; bicycles absolutely equal to those for which the Government paid \$62 and \$55.

That this very bicycle sold to the Government for \$55 and \$62 with the military attachments (two carriers, two rifle clips, lamp, bell and small repair outfit, the whole costing \$9.50) could be purchased by anyone **at retail** for \$49.50.