

APPENDIX No. 1

Will you tell me why, having made a contract with the Munroe Commission Co., you did not, in a businesslike way, tell them you had made that contract with the Munroe Commission Co., and that the Munroe Commission Co., having arranged with them to do the work, had requested you to send the order direct to them?—A. No, I did not do it that way. We knew that the Munroe Commission Co. had spoken to them and we sent the order to them as requested. We knew when they got that order they would understand all about it without our mentioning anything about the arrangement between them.

Q. Did you think it was a businesslike proceeding, having made a bargain with another company, to write Barber & Ellis 'Kindly advise me at your earliest convenience if you are prepared to take the order at the price mentioned'?—A. I was only confirming that the arrangement made by the Munroe Commission Co. was satisfactory to them and that they would do the work.

Q. You were not making arrangements with the Barber-Ellis Co. at all. You were simply told to send the order to them so that they might carry it out. Why did you studiously omit any mention of the Munroe Commission Co. from that letter?—A. We did not studiously omit the name of the Munroe Commission Co., there was no intention of omitting them; we simply informed the Barber & Ellis Co. that this order was forwarded to them, and if they would do the work at the price it was satisfactory to us. I did not wish the order to come back afterwards and to find that they had increased the price, I wished them to do the work, but if they could not do it at the price which had been arranged with the Munroe Commission Co. I meant that they were not to execute the order.

Q. You could not trust the Munroe Commission Co.?—A. No, it was not a question of trusting the Munroe Commission Co. at all.

Q. You either trusted them or you did not. Why did you not simply tell the Barber & Ellis Co. what the fact was, and let them deliver for the Munroe Commission Co.?—A. Well, I think that should have been done perhaps.

Q. At all events, that is what you did, as you have told us?—A. That is the way I did it.

Q. And there is no explanation of it. Barber & Ellis Co., Ltd., writing on November 4, 1905, to you as the General Purchasing Agent of the Transcontinental Railway, say:

'We have your esteemed order of the 3rd, which will have our immediate attention. We believe we can deliver all the order in the time mentioned.'

A. They appear to have understood it.

Q. Again the Munroe Commission Co. is absolutely eliminated from this transaction, why?

Hon. Mr. FIELDING objected that question should be put to the Barber & Ellis Co.

A. I do not know anything about that.

By Mr. Barker:

Q. My impression is there was an understanding how this was to be done?—A. There was absolutely no understanding, I did not see Mr. O'Gorman after he left my office, for months afterwards, and had no correspondence with him whatever about it.

Q. Then follow letters with proofs and something of that kind which are not material, all Barber & Ellis, the Munroe Commission Co. does not appear in the letters. Then the Barber & Ellis Co. deliver 133,775 envelopes, somewhat an over delivery on the 125,000, and they charge for them at the prices that you offered to O'Gorman?—A. The prices agreed on, yes, sir.

Q. Their account is here, at the prices agreed upon, and they charge to the Commissioners of the Transcontinental Railway these various quantities of envelopes on order No. 1203, requisition 577, amounting to \$391.20—not a word about the Munroe Commission Co., you know that?—A. I had not anything to do with that, that is simply a matter between the Munroe Commission Co. and Barber & Ellis.