

APPENDIX No. 3

advertise to the extent of \$1 more, there would be no time when you could make any protest to the Department of the Interior about that until the end of the year?

A. I could not make it until the end of the year.

Q. You are bound to pay the charges as they are presented?

A. I was bound to make advances, but the final settlement of these accounts held over. In this case they were held over for three years.

Q. And you consider it purely a matter for the Department of the Interior to say that this contract was carried out and to see that the expenditure did not exceed \$15,000?

A. That the expenditure was \$15,000?

Q. \$15,000 for the year?

A. I do not quite understand the question. This \$15,000 is not a payment that was made by the Audit Office at all.

Q. It is made by the Department of the Interior?

A. No.

By the Chairman :

Q. It is an allowance?

A. No. It is an expenditure which the company is bound to make in advertising, &c., and these bonuses are paid over to them on the arrival of the immigrants.

By Mr. Hughes (Victoria) :

Q. There is one question I would like to ask about the cheques. Who issued these cheques to the North Atlantic Trading Co.?

A. The Accountant and Deputy Minister of the Interior and the High Commissioner and Commissioner of Immigration.

Q. Do they all four sign them?

A. No, not all four, but two. There are two letters of credit; cheques on the London letter of credit are signed by Lord Strathcona and Mr. Preston. Those on the Ottawa letters were signed by Mr. Beddoe and Mr. Smart, and later on by Mr. Cory.

Q. But to whom are these letters of credit issued?

A. To these gentlemen.

Q. Are they not all issued by Lord Strathcona and the Commissioner of Immigration?

A. The letters of credit are to these gentlemen.

Q. And the payments by Lord Strathcona and Mr. Preston are made how?

A. By cheque.

Q. And have you those cheques?

A. We have them in some cases.

Q. Have you in all cases?

A. No.

Q. Why not?

A. Because they have been returned to the department.

Q. To which department?

A. To the Interior Department.

Q. And the cheques issued by Mr. Preston and Lord Strathcona, are they returned to the Interior Department?

A. After a period of years.

Q. I have just heard Mr. Scott, an officer of the Interior Department, swear, in the Agricultural Committee, that they never come back. He said that they get the vouchers, but that they get no cheques returned.