

*By Mr. Boys:*

Q. You mean the arrangements were made in London?—A. The representative of the Canadian Vickers, Limited, in Montreal, that is my understanding at the time.

Q. The English house?—A. The English firm of Canadian Vickers concluded the arrangements.

Mr. CARVELL: In other words, it is the hand of Sir Trevor Dawson again.

Hon. Mr. REID: I do not think insinuations of that kind should be made unless we have evidence.

Mr. CARVELL: We have found that gentleman's hand so often in the last two years.

Hon. Mr. REID: I do not think that is fair.

*By Mr. Carvell:*

Q. That cable was from the British Government?—A. Yes.

*By Hon. Mr. Reid:*

Q. What reply did you send?—A. On the 6th November, this draft was prepared and forwarded: (Draft read by the witness.)

Q. What is the date of that?—A. The date of that is the 6th November. I do not know whether it is material, but it is material from our point of view, at all events, to point out that when this suggestion came to us, that we should commence negotiations about the matter, the whole transaction was concluded; we were asked to commence negotiations about a matter which had been already concluded, and in connection with which we had been entirely ignored. We took the position that we should not commence the negotiations at that late date; that was the position taken by this Department.

*By Mr. Devlin:*

Q. But at that time the contract had not been formally transferred?—A. It had not, but we had agreed to transfer the contract and we asked in this telegram that the Russian Government should give us instructions, we said that we were awaiting instructions to formally transfer the contract for the construction of the vessel. We offered and agreed to do so.

*By Mr. Carvell:*

Q. As a matter of fact, did you ever go any farther in the way of making an assignment or transfer of the contract?—A. No, I do not know that we did; we offered to withhold clearance of the vessel until such time as arrangements, satisfactory to the Russian Government, were concluded. They were conducting the negotiations, we were not.

*By Mr. Bennett:*

Q. Do you know what date the Russian Government made their contract?—A. The 6th of June, and the terms of the contract as disclosed by the correspondence were agreed to in the early part of February.

*By Mr Morphy:*

Q. When Russia made her contract did she pass it through the British Office and the British Vickers?—A. We have absolutely no information on that.

Q. But you have information that Russia did make her own contract?—A. We have that stated in the correspondence.