Q.—You made them a discount at your Bank?

A.—I don't remember whether it was through the Bank or through myself. It was for a small amount; a mere business transaction.

Q.—Then there was no agreement? A.—None.

- Q.—Was there any telegram from me to you approving of or confirming the proceedings of Sir George Cartier, as stated by Mr. McMullen?

A.—You did not telegraph me at all that I know of.

Q.—Your received no telegram from me approving of Sir George Cartier's arrangement, and the only acquaintance you have of any telegrams from me was one disapproving of it?

- A.—Exactly.
 Q.—I see that Mr. McMullen speaks in this interview about your being a large gainer, and that you would be recouped by the Government deposits, to a large extent, in the Merchants' Bank?
- A .- The Merchants' Bank has the smallest amount of Government deposits of any Bank of the same class, so that was quite impossible. The Merchants' Bank collects at various points for the Government, where its other agents have no branches, so there is a very small amount there, much smaller than is usual in other Banks.

Q.—Do you happen to remember the amount?

A.—It varies every day.

Q.—Can you state the average?

A.—I think it is from \$200,000 to \$300,000.

Q.—Any profits that might be made on these deposits, to whom would they go?

A.—To the shareholders of the Bank, of course.

Q.—And not to Sir Hugh Allan personally?

A.—By no means.

Q.—You get your portion?

A.—Yes, my share of the dividend, that is all.

Q.—Mr. McMullen states that you prepared a memorandum, setting forth all the telegrams, correspondence, and everything connected with the Pacific Railway, and threatened the Government to publish it, and that then they came to your terms. Is there any truth in that?

A.—None whatever.

Q.—Did you ever make any communication approaching to it?

A.—None whatever.

Q.—It is altogether a falsehood?

A.—Entirely.

Question by the Commission.

Had you any communication from the Government respecting the suppression of these letters?

A.—None whatever.

Q.—Or from Sir John, Sir George, or any other member of the Government?

A.—None whatever.

Question by Sir John Macdonald.

There is a statement by Mr. McMullen that I sent you a telegram stating that you had "a big thing," and "must shell out." Did you ever get such a telegram?

A.—I never got such a telegram.

Q.—Or anything like it?

A.—No, nor anything like it.

Q.—When in one of your letters, which has been referred to, to Mr. McMullen, or Mr. Cass, I forgot which, you say "by the means you know of," did you refer to pecuniary means, or political exertions by yourself, or how?

A.—I don't know.

Q.—What did you mean when you said in your letter of the 1st July, 1872, that means must be used to influence public opinion?

A.—It meant simply by newspaper articles and means of that kind.

Q.—Working up the public excitement and so on? A.—Yes, the usual way in which such things are done.

And further for the present deponent saith not. And on this 25th day of September the said witness re-appeared and made the follow-

ing addition to his foregoing deposition:

In answering the question "Was anything said about the money before the longer "letter of the 30th July was signed?" I wish to say that nothing was said about money

CANADA