

Q. There was. This ship was under the control of the Vickers Company of Canada and was turned over by some other company to the Russian Government.—  
A. No, it was under our control.

Q. It was in their hands.—A. But it was under our own control.

*By the Chairman:*

Q. You gave the Russian Government the other two ships at cost, the same as you did this?—A. Yes, we gave them to the Russian Government for very much less than their value.

*By Mr. Devlin:*

Q. This was not a similar case to that of the other two ships, at all. This ship was under contract, and you relieved the Vickers Company from the contract, you did not transfer your rights to any one else. In the other cases you sold the completed ships?—A. Yes.

Q. And in this case you released the Vickers Company from the contract they had with the Government?—A. No, we did not release them. What we expected would be done was that the Russian Government should have taken our place under the contract. That was the assumption upon which we proceeded from the very first day, and we thought that the Colonial Office had so arranged.

*By Mr. Carvell:*

Q. And now you believe that was not the case?—A. We know that is not the case. We know that a supplementary arrangement was made between the representatives of the Russian Government and Vickers Limited, of London, for a ship which was quite different to the ship we had contracted with the Vickers Company at Montreal, to construct.

*By the Chairman:*

Q. In other words if the Russian Government had chosen to avail themselves of the transfer of this contract, and made no changes, they would have got the ship at the same price we were paying for it?—A. As far as we were concerned, we advised the Russian Government to that effect.

Q. But the Russian Government preferred to make another contract with the Vickers Limited?—A. Yes, and that being the case we took it that as far as we were concerned, it was none of our business.

*By Mr. Boys:*

Q. You put the Russian Government in the position to take over the contract at your price?—A. We never had a word with the Russian Government—I never had a word with anybody in connection with the ship, or with the negotiations regarding it outside the Colonial office.

Q. But you did put the Russian Government in the position to get the benefit of this contract at the actual cost to the department?—A. That is all we wanted.

*By Mr. Morphy:*

Q. And you so instructed the Colonial Office?—A. Yes.

*By Mr. Devlin:*

Q. Did you put the Russian Government in the position of getting the full benefit of your contract?—A. We did.

Q. And did you put the Vickers Company in a position to make a new contract with the Russian Government?—A. We did not.