

SIR SAM'S LAPSE OF MEMORY

In the course of the debate in the Commons on the Dominion Shell Committee, Mr. F. B. Carvell, M.P., on March 7th referred in some detail to a company known as the Universal Tool Steel Company. He showed that it had been but recently organized, that it had received orders from the Shell Committee amounting to some \$1,735,000, and drew attention to the fact that its officers were men at the head of the Canadian Northern Railway, including Sir Donald Mann, President, F. H. Phippen, Secretary-Treasurer and Sir William Mackenzie, Director.

Mr. Carvell added the plain statement:

"This firm got those contracts with the assistance of the Minister of Militia."

The Minister of Militia, General Sir Sam Hughes, was absent from the House at the moment, but returned within a few minutes, when Mr. Carvell repeated the reference. Sir Sam responded promptly:

"I never heard of the name of the firm in my life until the present moment."

Mr. Carvell advised the Minister of Militia to go back to his office and look up his correspondence, and then come back to the House and tell what he knew of the Universal Tool Steel Company and its contracts.

The House of Commons met again on Thursday, March 9th. Sir Sam Hughes was not present. It developed that he had left Ottawa that same morning en route to New York, and this in spite of his declaration on Tuesday that he was ready and anxious to reply to all of Mr. Carvell's charges in connection with Shell contracts. In face of the announcement that the Minister of Militia would cross the Atlantic before returning to Ottawa, Mr. Carvell had no option but to proceed with his reference to the matter, which he did in the following language:

"I have just a word to say to my hon. friend the Minister of Militia. I notice that he is absent this afternoon, but I suppose that somebody will represent him. I have charged that there were politics in this thing. I go behind no man's back to say so. I charged it six weeks ago; I charged it on Tuesday; I

charge it now. When I asked the Minister of Militia what he had done regarding the Universal Tool and Steel Company, he said, with characteristic impetuosity and absolute disregard of the fact: 'I never heard of that company in my life.' I said: Did you not? Look up the correspondence that you had with General Bertram regarding this company on February 18th last, and then tell me whether or not you know anything about this company. The Hon. Minister himself is not here, and, to show the House that I am not bluffing, I will read the letter. I hope that the gentleman who is to follow me has been furnished with a copy of that document, so that he will know whether or not I am giving to the House and to the Country the facts as they are. The letter is as follows:

February 18th, 1915.

Col. Bertram,
Drummond Building,
Montreal, Que.

Universal Tool Steel Company, Toronto, were verbally given order for 200,000 shells. I am assured heavy financial liability incurred, upwards of \$150,000 Financial arrangements cannot favourably be completed until definite written order is given. Please look fully into it and complete at earliest date.

(Sgd.) SAM HUGHES.

"The president of the Universal Tool Steel Company is Sir Donald Mann, of the Canadian Northern Railway Company. I am not allowed—I do not know that I should want to do it if I were allowed—to express my opinion as to the memory or the belief of the Minister of Militia in this matter. But, Sir, we can all do this mentally."

Mr. Carvell did not rest his case there. He offered more proof if it were necessary. He said that if the letter he had quoted was not sufficient to refresh the memory of the Minister of Militia, he would refer him to another letter, written by Sir Sam Hughes to General Bertram, Chairman of the Shell Committee, on February 21st, 1915, in which Sir Sam referred to Sir Donald Mann in connection with the Universal Tool Steel Company

GOVERNMENT FINANCE

REVENUE AND EXPENDITURE ON ACCOUNT OF CONSOLIDATED FUND.	Month of March, 1915.	Total, 12 Months to 31 March 1915.	Month of March 1916.	Total, 12 Months to 31 March 1916.
REVENUE:				
Customs.....	\$ 7,066,497 14	\$ 75,479,336 99	\$ 9,978,138 88	\$ 97,954,119 81
Excise.....	1,508,651 75	21,367,682 45	2,106,564 00	22,215,712 44
Post Office.....	993,244 27	12,589,460 26	2,493,874 06	18,165,213 97
Public Works, including Railways and Canals.....	1,230,346 72	13,072,114 63	1,514,595 30	21,527,907 95
Miscellaneous.....	843,230 30	9,190,328 04	806,686 93	11,385,714 47
Total.....	11,641,970 18	131,698,922 37	16,899,859 17	171,248,668 64
EXPENDITURE, Ordinary.....	7,589,548 35	117,190,246 07	8,922,456 90	107,730,367 42
EXPENDITURE ON CAPITAL ACCOUNT.				
War.....	8,495,158 10	46,574,587 11	24,032,296 76	134,650,640 26
Public Works, including Railways and Canals.....	1,732,026 50	36,063,877 21	1,435,361 34	32,749,339 97
Railway Subsidies.....		4,630,273 69		1,400,171 42
Total.....	10,227,184 60	87,268,738 01	25,467,658 10	168,800,151 65