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DRAFT REPORT OF SUB-COMMITTEE.

AS SUBMITTED BY HON. MR. MILLS AND MR. DAVIES.

Your Committee, to whom were referred certain charges made in his place in the House of Commons by Joseph Israël Tarte, the Member for Montmorency, in the month of May, 1891, beg to submit the following as their Report :

By an Order, made by the House on the 11th day of May, 1891, and which constituted the authority of your Committee, your Committee was directed to enquire fully into the allegations made by the said Joseph Israël Tarte, and specially, but without limiting the scope of such enquiry, to investigate all circumstances connected with the several tenders, contracts, and changes therein, and the payments and other matters mentioned in the statements of Mr. Tarte, and to report the evidence taken before us, and all our proceedings in the reference, and the result of our enquiries.

The allegations made by Mr. Tarte, practically charged a conspiracy to have existed to defraud the Government of Canada of large sums of public moneys, in the letting and execution of the contracts for the construction of the Graving Dock and Harbour improvements at Quebec, and the Graving Dock at Esquimalt, British Columbia, and that the Honourable Thomas McGreevy, a member of this House, and other officials of the Government, and Larkin, Connolly Company, contractors, were parties to that conspiracy.

These allegations further charged the said Honourable Thomas McGreevy with illegally and improperly receiving for a series of years, beginning in 1883, from the Government of Canada, a yearly subsidy of \$12,500, for the services of the steamer "Admiral," for plying between Dalhousie and Gaspé, the said steamer being actually owned by the said McGreevy, but being registered by him in the name of one Julien Chabot, in whose name the contract was made, as a screen for the benefit of said McGreevy, to avoid the consequences of a breach of the Independence of Parliament Act.

The allegations also charged the said Honourable Thomas McGreevy with improperly exacting and receiving out of the subsidies voted for the construction of the Baie des Chaleurs Railway Company, the sum of \$40,000.

Your Committee began their labours on the fifteenth day of May last. They have held one hundred sittings, including twenty-nine sittings of their Sub-Committees and have examined seventy-one witnesses and a large number of official documents bearing upon the enquiry. The matter involving questions of a professional and technical character, your Committee found it necessary to engage the services of two Civil Engineers, Messrs. Jennings and Macdougall, and two Accountants, Messrs. Cross and Laing, whose reports upon the matters referred to them your Committee annex with the evidence taken. In order that the findings of your Committee may be clearly understood, it is necessary, first of all, to state the powers conferred and the duties and responsibilities imposed by Parliament upon the Ministers of the Crown, and other public officials, or bodies, under whom the public works referred to in Mr. Tarte's charges, were let and constructed.

These public works and undertakings embrace the construction of a Graving Dock at Lévis, a Tidal and Wet Basin or Dock, and other Harbour Improvements at Quebec, and a Graving Dock at Esquimalt, British Columbia.