

to Mr. Kelly's objections so that I could, at the council, ask Mr. Kelly, let his points come through and tell Mr. Kelly what his—

The Joint Chairman Mr. Laflamme: The letter of June 19, is that Exhibit 79?

Mr. Landreville: Yes, dated June 19, but I seem to recall there was some confusion there because he dictated it—he may have put on his letter “dictated June 15”, if the letter can be picked up, if it is immaterial, but I doubt it; the only thing is that it was brought to council and there that letter put a stop to the reading of the bylaw. I did not object; I let the matter be discussed and Mr. Kelly said, “I am not entirely satisfied that I have gone deeply enough into the contract as yet.”

Senator Hnatyshyn: Who was Mr. Kelly?

Mr. Landreville: Mr. Kelly is the City Solicitor.

I did not press for any action; the minute book will show that, and he was given utmost latitude to be satisfied. On June 20, the minute book will show that I recommended to be replaced by Controller Waisberg, now Judge Waisberg, to attend a Fuel Board hearing here in Toronto which was to be held. But Mr. Waisberg not being able to attend, I went and this hearing was for the purpose of examining the feasibility, in short, and I have the report here—I forget the word that was used—

Mr. Fortier: Feasibility and necessity.

• (11.30 a.m.)

Mr. Landreville: And necessity of gas to the area. I attended that meeting. The board approved of the agreement that was discussed there and Mr. Crozier did say he was most anxious that we would stop all this delay, “there is nothing wrong with our agreement.” This he said to Mr. Kelly in emphatic language. We had a meeting following the main meeting in his private office. We came back and Mr. Kelly, at that time in Toronto, appeared satisfied, but once in Sudbury he came to express to me something new he thought might be in the agreement. I then said to Mr. Kelly, “very well, we are going to settle this matter once and for all and we are going to get Mr. Crozier up here”. I invited Mr. Crozier, Chairman of the Fuel Board, and he appeared on July 3, 1956, before our council.

There, again, there was full discussion. Every question that could possibly be asked

by Mr. Kelly was put forward and that was it. Mr. Crozier left that night; the council showed its appreciation; the minute book is very complete in that respect, relating all the items discussed and after Mr. Crozier left, Mr. Farris came, in the first few days of July, and every time he was around I would say, “well, you discuss your terms with Mr. Hennessy, the city engineer, and Mr. Kelly”. I would not take direct part in the drafting of the agreement. It was their department.

I recall receiving into my office the visit of Mr. Farris accompanied by Mr. Kelly and Mr. Hennessy on one occasion in particular where Mr. Farris was up in arms against both of them. He said, “these men are entirely unreasonable, they want me to put a clause in the franchise that this city will have the right to expropriate at cost price at any time after five years.” My only argument was with Mr. Kelly, “Well, do you think that is reasonable for a company to install such things.” So except for that little brush, there was no friction, I say, and no misunderstanding. Then, they met and on July 6th, Mr. Kelly, Mr. Hennessy and Farris met together and spent a good part of the day together discussing all the terms. They came to me; Mr. Kelly said, “I am satisfied; everything is fine”. In fact, then Mr. Farris left and he was content also. The only thing that remained to be done was read the bylaw for the third time at the council.

Mr. Kelly wrote a letter to the Fuel Board saying to the Fuel Board that he was satisfied, and that is shortly before July 15, 1956, which was the passing date of the bylaw. The Fuel Board—

The Joint Chairman Mr. Laflamme: Is that letter part of the exhibits? What date?

Mr. Landreville: This letter is referred to in the evidence and I am not too sure that it is filed as an exhibit, but it is referred to.

Mr. Fortier: On page 1044 of your evidence.

Mr. Landreville: Is it not referred to also—

Mr. Fortier: It is exhibit 112.

Mr. Landreville: Exhibit 112; all right. Well, it is an exhibit. The Fuel Board order is dated the day before, namely July 17, 1956, it is as approved. It did approve of the agreement.

At this stage, gentlemen, I have a breakdown here, if someone wants to question me on that, of the delays that went between the