

Q. It is very plain. Do you think they would do more than employ an agent to buy, and have the option in his name?—A. I think the chances are the Canadian Pacific Railway would have done just exactly as we did the second time. They probably would have used a subsidiary company.

Q. In the first instance?—A. In the first instance. As a matter of fact, the Canadian Pacific Railway Company at the present time, are incorporating and operating separately in Paris. They do that to avoid the taxes.

Q. In other words, they would have done, in the first instance, what you did in the last? —A. Sir Henry, may I make this explanation? One of the largest banks in Canada did just exactly what we did in the purchase of a property, and to-day they are not in possession of the property, and it is my information that they will not be for twelve years.

SIR HENRY DRAYTON: Oh, yes, there was another Canadian institution stung as well as the National. That bank was pretty badly stung, but they bought it at a very considerably lower rate than you did. I happen to know the details of that purchase.

The WITNESS: I am not so sure of that.

Hon. Mr. GRAHAM: The property is not comparable to this.

*By Sir Henry Drayton:*

Q. What was the price, 17,000,000 francs?—A. They are willing to bargain with us for taking a part of our floor space, based on the price we paid for it.

Q. For a certain amount, but they are inclined to deal because they cannot get possession of their own.

Hon. Mr. GRAHAM: There is an American company which has done the same thing.

The WITNESS: Yes, I explained that yesterday.

SIR HENRY DRAYTON: I am not saying there were not others; there are other suckers; there always are.

The CHAIRMAN: Are you through with this? Do you wish to continue now with some of these statements?

Mr. KYTE: Is Mr. Ruel here?

SIR HENRY DRAYTON: I think he was to be here this morning. I thought we were to have this morning the accounts from the Comptroller of Accounts.

The CHAIRMAN: I thought we were to hear Mr. Ruel.

Mr. KYTE: He was asked to come.

Mr. STEWART: I thought it was understood he was to be here this morning. GÉRARD RUEL called, and examined.

The CHAIRMAN: Gentlemen, Mr. Ruel is now ready for your questions. Will some one please proceed.

*By Sir Henry Drayton:*

Q. Mr. Ruel, when was it that you first had any knowledge of the Scribe Hotel?—A. The first time I came into it was the day Mr. Aronovici arrived in Toronto.

Q. When was that?—A. I do not know; it was some time prior to the writing of this letter which I have before me.

Q. That is dated April 30th?—A. Yes, April 30th, 1923, some time prior to that. I do not know exactly the day this letter was signed.

Q. It is a letter within a letter.—A. A letter within a letter.

Q. A short time prior to the 30th of April?—A. Yes.

Q. Did you have anything to do with the negotiations for the purchase?—A. No, except after Aronovici arrived. I had nothing to do with the price paid, or anything like that. Possibly I had better state what happened on