

"Mr. Valin states in his evidence that I told him to follow always Mr. Thomas McGreevy at the Quebec Harbour Board, and that he always did so, convinced as he was that it was my wish and desire. This I must positively deny. Mr. Valin evidently is quite mistaken."

The entire statement made by Sir Hector on this contract is as follows:

"CONTRACT 5—1886—87.

"*Dredging of the Wet Dock.*

"Mr. Tarte contends that by the influence which Mr. Thomas McGreevy had in the Department of Public Works the Chief Engineer made a report for the purpose of obtaining for Messrs. Larkin, Connolly & Co. the dredging at exorbitant prices. I had nothing to do with the contract of this work. The Commissioners have themselves given the contract, as the Statute authorized to do, without being bound to obtain the approval of the Government to their draft contract or the dredging work. I had no other duty but to recommend the payments at the request of the Commissioners, backed by the advice of the Chief Engineer of my Department.

"I have never attempted to influence the Harbour Commissioners, and I have not been subjected to any undue influence in connection with the payments which I have recommended in their favour."

As the evidence of Mr. Valin and Mr. Dobell had been, for a long time, in Sir Hector's hands before he made his statement, and as he has neither denied nor explained them except as above, we feel bound to accept them as true.

FINDINGS.

We find that Mr. Tarte's charges with respect to this contract are proven.

That the letting of the contract was the result of a corrupt bargain made between McGreevy and members of the firm of Larkin, Connolly & Co., by virtue of which \$25,000 were paid to and for McGreevy for his influence.

That McGreevy successfully used his influence to procure the contract for them without calling for any tenders.

That under the contract enormous sums of public moneys were paid to Larkin, Connolly & Co., beyond what the work was worth, and beyond the actual quantities dredged by them.

That contrary to the terms of the contract, they were paid \$22,500 and upwards for the portion of the material dumped in the Cross-wall.

That Mr. Perley had received from the contractors jewellery and diamonds on the 9th of January, 1887, to the value of \$1,885, which were intended as a bribe to improperly influence his conduct as Chief Engineer of the Department of Public Works, and as Engineer of the Quebec Harbour Commission, and that the facts connected with the letting of the contract and its subsequent execution were known to Sir Hector Langevin, the Minister of Public Works, and that the frauds were perpetrated at least with his passive connivance.

No. 3

CONTRACT FOR THE COMPLETION OF THE LEVIS GRAVING DOCK, 23RD JUNE, 1884.

"That in the year 1884 the said Thomas McGreevy agreed with members of the firm of Larkin, Connolly & Co. to secure for them a contract for the completion of the Graving Dock at Lévis, on condition that he should receive from them any excess over the sum of \$50,000 of the contract price, and that accordingly the said Thomas McGreevy afterwards received from the said firm the sum of \$22,000."

23. That in 1884 Thomas McGreevy, then and now a member of the Parliament of Canada, and a member of the Quebec Harbour Commission, by appointment of the Government, agreed with the firm of Larkin, Connolly & Co., and certain members thereof individually, to secure for them a contract for the completion of the Graving Dock of Lévis, one of the conditions of the agreement being that he, Thomas McGreevy, should receive any excess over the sum of \$50,000 in the contract price.