

APPENDIX No. 3

A. It is very difficult at the end of the fiscal year to get an account of that kind closed out. There are a great many of the immigrants, and that is about the season of the year that the large continental boats, the Hamburg-American line, bring these people out, just about the end of the fiscal year.

Q. Could you not have closed last year and the first three months of this year? I see you are running on every year with an unclosed account?

A. I think the account now has been closed up or is about in shape up to about the end of January.

Q. This account now before the committee runs back to 1901?

A. That is before I came into the department.

Q. Can you explain why it has been kept so long?

A. I cannot say.

Q. Do you know whether before your work began the \$15,000 a year expenditure was investigated?

A. No, I cannot say that.

Q. You don't know with whom the department here corresponds if they do correspondence with any representative of this trading company?

A. Which?

Q. You don't know with whom the department here corresponds if they do correspond with a representative of the trading company in regard to accounts?

A. In this country?

Q. Yes?

A. We correspond with Mr. Smart, the late deputy minister.

Q. Mr. James A. Smart?

A. Yes. Some time after he resigned as deputy minister I was advised by letter from the company that they had appointed him their representative in Canada.

Q. Have you got that letter?

A. I think it is on these files.

Q. From whom did that come?

A. From the North Atlantic Trading Company.

Q. Who signed it?

A. I do not know. The letter is on file. I do not recollect it.

Q. Was it very long after he retired?

A. I cannot say. The letter is on the file, Mr. Barker.

Q. What was the date of his resignation?

A. I cannot tell you that.

Q. About what time?

A. I cannot tell you.

Q. I want to get at it nearly?

A. About a year ago, I think.

Q. Now, what is the nature of your correspondence with Mr. Smart?

A. It is all on file there.

Q. I want you to tell me shortly what were the subjects of your correspondence?

A. In reference to the payment of bonuses.

Q. In what way; do you send him the bonuses?

A. I think from the tenor of the correspondence his view was that we did not pay them enough.

Q. He wants more?

A. I think so.

Q. Anything else?

A. I think that is about all.

Q. Do you send him the money?

A. I do not know what becomes of the money. That is done through the Accountant's Branch.