

Americans, and he quotes, in support of his pretension that they had, the fact that he paid the House fees on the Bills which were introduced in the first instance in the House for the Canada Company. In point of fact, that fact is true, though the inference is not correct. I believe he did pay the House for the two Bills and some other trifling expenses.

Question—What would they amount to?

Answer—The House fees were \$245, for which I got receipts. There were some other trifling expenses, probably amounting to \$100 or \$150 more.

The receipts for the House fees are herewith produced and filed marked "S." and "T." In fact, Mr. McMullen did keep up a certain amount of connection with the promotion of the Pacific Bill, after he was perfectly aware that all connection with the Americans must cease. He was a Canadian himself, and was very anxious to keep himself connected with the scheme so far as he could, in hopes of something turning up in the end. He met Sir Hugh Allan occasionally. The Bills were called up in the Committee hurriedly, and it was necessary to have the fees paid on them before they could be passed through the Committee, and to the best of my recollection I said, "I wish Sir Hugh would send the "money," or "I wish I had the money to pay the fees," or something of that kind. He said he had money for such purposes, and he paid the fees. The matter had entirely slipped from my memory, as I supposed he had settled it with Sir Hugh Allan. However, when negotiating for giving up Sir Hugh Allan's correspondence last January, he told me that he had these receipts for the House fees, and the other small expenses I have mentioned. I told him to bring them to my office, and I would give him a cheque for the amount, unless Sir Hugh Allan settled with him. Sir Hugh Allan did settle with him, and Mr. McMullen gave up those receipts to me.

Question—Are you aware what sum Sir Hugh paid him in relation to giving up the correspondence?

Answer—The sum of \$20,000.

Question—Are you aware what money he refunded of what he received from the United States capitalists?

Answer—He told me that he had refunded it all.

Question—Do you know anything about the sealed packet of letters left with Mr. Starnes?

Answer—Yes. It was I who arranged for their deposit with Mr. Starnes. About the latter end of the year Mr. McMullen himself, I think, told me that he had a number of letters.

Question—Letters of what year?

Answer—Of 1871 and 1872, I think. He (Mr. McMullen) made an application to Sir Hugh Allan, claiming that his people had the right to command the services of Sir Hugh Allan in connection with the Pacific contract, and stated that Sir Hugh had not used them well, and that he ought to pay whatever advances they had made, and also for their loss of time and other claims. The demand made by Mr. McMullen amounted to a considerable sum. I think over \$200,000, if not \$250,000, in the first place, but this included the \$40,000 Sir Hugh had received. Afterwards there was some little negotiation about it, and he reduced his claim somewhat, and finally he came to Montreal with Mr. Smith and Mr. Hurlburt. He read me passages from the correspondence, and showed it to me; stated to me his position, and added that he had been ill-used, and spoke of his claim for a considerable sum of money. He also showed me the contract with his friends, which I glanced over to verify a statement he made as to its contents. I wrote him, with Sir Hugh Allan's authority, that so far as the disbursements went, Sir Hugh Allan was ready to pay them, and with regard to their services, he was ready to pay them a reasonable sum, but that the demand he was making was one which did not appear to me to be based on either of these principles, but was in fact such a demand as Sir Hugh Allan could not listen to at all. He came to Montreal, as I have stated, with Mr. Smith and Mr. Hurlburt, of Chicago. I had an interview with those gentlemen, and I then, for the first time, saw those letters. I think this was in January. I did not read them all, but I read, or heard read, extracts from some of them, which showed me their character. I saw at once that the publication of these letters, which Mr.