

whole situation as it appeared to him and what was best to be done. I might say that in drawing up this thing I wanted to make the very best bargain I could for the country. We were looking for immigrants at the time and I provided in the arrangement, if you will notice it, for smaller amounts for smaller numbers, and we increased the amounts as the numbers increased.

Q. I see that on October 20, 1899, the Trans-Atlantic Trading Company—

A. That is what it was called then.

Q. They had already adopted this title ?

A. Yes.

Q. They addressed a letter to Mr. Preston in which they say : 'In view of our frequent consultations we have the honour to submit the following proposal to the Canadian government.' That is October 20, 1899. That must have been very shortly after you left over there, Mr. Smart ?

A. I presume, yes, I returned in October.

Q. In October, that is about right. Mr. Preston must have been very nearly at one with them while you were there ?

A. Yes, I think he was well acquainted with some of the leading men at any rate.

Q. And I suppose while you were there he was in a position to tell you practically what the conditions were likely to be ?

A. Yes.

Q. So that you and he concurred, generally speaking, in what was going on and what was ultimately carried out.

A. Well, of course Mr. Preston did not say anything as to what kind of an arrangement could be made. I remember that very distinctly. I took that upon my own hands to say just about what kind of an arrangement I thought would be satisfactory. I hedged it about I thought as well as I could with conditions.

Q. Still in a general way the arrangement was afterwards carried out ?

A. Yes, they made a proposition at any rate based upon my suggestion.

Q. I see on the 4th November Mr. Preston writes to this trading company, that is the Trans-Atlantic Trading Company, 'I have the honour to acknowledge the receipt of your letter of the 20th ult., and have carefully noted its contents.

'In this connection I may say that in view of the several conferences I have had on this question in the course of the past four or five months with representatives of your then proposed company the possible outcome of which I duly submitted in the form of a recommendation for the consideration of the High Commissioner of Canada and the Minister of the Interior at Ottawa who is charged with the administration of the Department of Immigration'—Now, there seems to be in those two letters the real beginning in a formal manner of these negotiations ?

A. Yes.

Q. The preliminary discussions had gone on for several months, you had gone over to England and taken part so far as conferring with Mr. Preston ?

A. Yes.

Q. And this bargain you say was largely your own suggestion ?

A. Well, the suggestion at the beginning was mine. I know I suggested the terms.

Q. I asked that simply to get at how this originated and we have got it pretty fairly now. I find on the 26th October, 1899, a memorandum in the department here unsigned, simply an official memorandum which begins in this way : 'One of the matters that engaged Mr. Smart's special attention during his visit to the old country was the question of bonuses to the booking agents for immigrants with a view of readjustment so as to meet the competition of other colonies.' Then you go on with other matters and you say : 'It is expected by a rearrangement of the commission that this competition will be met and the agents will be put in as equally good a position by selling tickets to Canada as the other colonies.'

A. That refers altogether to the British isles.

Mr. JAMES A. SMART.