CANADA.

Q.—When did you, Mr. McMullen, and Sir Hugh come to an understanding?

A.—It is mentioned in the paper which was fyled this morning.

Q.—As soon as you came to an agreement it was committed to writing?

A.—Yes

Q.—Was it at your suggestion that a portion of the money was withheld?

A.—Yes.

Q.—You were acting as Solicitor for Sir Hugh Allan?

A.—Yes.

Q.—And thought it a reasonable and proper precaution to take?

A.—Yes. I thought it possible that there might be copies of these letters extant, and that no sooner would the money be paid than copies might appear in the newspapers. I thought that the retention of a portion of the money would operate as a check against anything of this sort.

Q .- "Within ten days after the end of the coming Session of Parliament, Mr. Starnes

" is requested," and so on: why was that time fixed upon?

A.—Just for the same reason as any other time might have been fixed upon in order to give sufficient time to enable the delegation to go to England and return. The publication then would be better than during the Session of Parliament, as it would create less noise and scandal than during the Session.

Q.—The date is the 26th of February. When did Sir Hugh Allan leave for

England?

A.—I think on the first of March.

Q.—For what purpose?

A.—As one of the delegation to try to raise funds for the Pacific Railway.

Q.—When did copies of these papers appear in the newspapers?

A.—The first time that copies appeared was on July 4th, in the 'Montreal Herald,' but the charge Mr. Huntington made in the House was supposed to be based on some copy which he had of these papers. I understood that he proposed to read papers which bore a resemblance to these documents.

Q.—You say that it was apprehended that the publication of these papers might affect the mission upon which Sir Hugh Allan went home to raise money. Do you know if it did?

A.—I am perfectly certain that it did. I was one of the delegation of four—composed of Sir Hugh Allan, Governor Archibald, Major Walker, and myself—and the chief difficulty we met with in England, was the feeling caused by the violence of the publications in this country, the extravagant charge made against the Company, causing the belief in the minds of English capitalists that the success or failure of the Company depended upon the success or failure of one of the great political parties in this country. People became convinced, as far as I could judge, when these charges were made and reiterated to such an extent, that if the Government maintained themselves in power, the Contract would likely be carried out and the Company go on; while on the other hand, if the Government were ejected from power, the Contract and the Charter would fall to the ground, and the road would not be built. They felt then that they were not only imperilling their money on the chance of the success of an enterprise sufficiently difficult in itself, but on the chance of one or the other of the political parties remaining in power. There was more hesitation from that notion, that any successful result would depend upon the success of one party or the other, rather than in view of the difficulty of the undertaking itself. This it was that prevented capitalists in England from subscribing; in fact that was the reason given by one large firm of capitalists, with whom the delegation made the greatest progress in negotiating for the money.

Referring to the deposition of Mr. White, I wish to state that the draft Bill which he supposed I had prepared, and caused to be printed on behalf of the projected American Company, was, to the best of my recollection, the draft Bill in print, which I have already stated, Sir Hugh Allan gave to me when he requested me to prepare the

legislation for the Session of 1872.

And further deponent saith not, and this his deposition having been read to him, he declares that it contains the truth, persists therein, and hath signed.

Sworn and taken on the nineteenth day of September, 1873, and acknowledged on the twenty-seventh day of said month and year.

(Signed) J. J. C. ABBOTT.

CHARLES DEWEY DAY, Chairman.

A. POLETTE,
JAMES ROBERT GOWAN, Commissioners.

(Signed)