

it would cost to equip the militia with the weapon that is considered good enough for the British Army and the other Colonial forces.

Without discussing the merits of the Ross rifle here, it may be said that those served to the Mounted Police, a body under Sir Wilfrid Laurier's own departmental control, were returned to Ottawa as unsatisfactory and unsafe. This was in 1906, and two years later they had not been replaced by other Ross rifles, though 52,000 had been delivered to the Government.

NOT A CANADIAN RIFLE

The reason assigned for paying the extra price to the Ross Company for rifles is thus set forth in the Order-in-Council: "It is considered that the rifle required by the Government for the purposes of militia and defence should be manufactured in Canada."

As a matter of fact not a single rifle has been wholly manufactured in this country. The wood is imported. The steel is imported. Many of the parts are brought in from the United States in the state of forgings and several in the finished condition. There is no machinery in the Ross factory to make all the parts of this alleged Canadian rifle, and as stated above the Government offers special inducement for such importation by admitting imported parts free of duty.

ADVANCE PAYMENTS AND DELAYS IN DELIVERY

The following record shows how the contractor carried out his agreement as to the time of delivery. The first order was for 12,000 rifles, all to be delivered before the end of 1903. The first delivery was August 26th, 1905, and it was June, 1906, before 12,000 had been received. This was two years and a half behind time. The first advance payments were made March 26th, 1903, two years and five months before the first rifle was delivered, though the contract provided that there should be no advance payments more than a year before delivery. Advance payments on the whole 12,000 had been made before the end of July, 1904, so that \$225,000 (less \$200) was in the hands of the company nearly two years before the completion of delivery.

THE SECOND ORDER

Before a single rifle has been delivered on the first order, a second order for 12,000 was given. This was November 22, 1904, and the whole order was to be delivered before July, 1905. Payments in advance began in February, 1905, but not a rifle delivered until the end of April, 1906, and the delivery was not completed until January 1907, more than a year and a half after the date fixed, and two years after the first advance payments were made.

THE THIRD ORDER

A third contract was made on the same day as the second contract, for 8,000, to be delivered before 1906. The first delivery on this contract was made in February, 1907, a year and two months after the whole were to be delivered, and the order was completed in November, a year and ten months behind time.

THE FOURTH ORDER

On the same day, November 22nd, 1904, an order was made for 10,000 to be delivered in 1906, and at the end of the calendar year 1907, one year after the time was up for full delivery, the Govern-

ment had received 800 rifles. The time of delivery was extended to January 1st, 1908 but at the end of March 1908 only 5,500 had been received. Advances on account of this order began with a payment of \$31,016 in February 1906, one year and ten months before the first rifle was delivered, and the whole \$18.75 each had been paid in August 1907, many months before the first rifle came to hand.

THE FIFTH AND SIXTH ORDERS

An order was made September 24th, 1906 for 10,000 to be delivered by the end of 1907. None of these had been completed at the end of March 1908. The time had been extended to June 1908. In February, 1908, a further order was given for 10,000 rifles.

The full advance payments had been made before 1908 on the whole of the fourth and fifth orders, so that the Company had received in all on March 21st, 1908 the following sums:—

37,500 rifles at \$25 each.....	\$ 937,500
14,500 undelivered at \$18.75 each.....	271,875
Total	\$ 1,209,375

Before the first rifle had been delivered the Company had received \$426,175, of which \$224,802 had been advanced longer than a year.

At the end of December 1906, the advances for rifles then undelivered amounted to \$358,091.

At the end of December, 1907, the advances on rifles were \$361,151, of which \$178,125 was of more than a year's standing.

THE AUDITOR PROTESTS

On June 3rd 1907, the Auditor-General thought it was time to make protest. He stated that according to the terms of the contract advances were to be made only upon rifles "to be delivered in that year." He pointed out that advances had been paid upon 12,000 Mark 1. rifles to be delivered in 1903, and that only 9,000 of Mark 1. had been delivered four years afterwards; that on the order for delivery in 1904, 3,000 were yet to be delivered on which the contractor had received 75 per cent; that on the order for 1906 delivery advances of \$187,500 or \$18.75 each on 10,000 had been made and no rifles were yet delivered, five months after the time for the delivery of the whole; that on the order for 1907 delivery advances of \$84,941 had been made and \$30,000 to \$40,000 more was asked, though no rifles had been delivered. The Auditor went on to declare that according to this system the contractor "might go on purchasing raw material and manufacturing parts of the rifle that would not be delivered to the Government in the form of completed rifles for a number of years or perhaps not delivered at all." He added that the advances now amount to \$360,000, that the progress estimates might include "an accumulation of manufactured material of no value to the Government" and that the Department might "find itself in possession of material to be consigned to the junk heap for which large advances had been made." The conclusion of Auditor-General Fraser was that if the advances and arrangement of certificates had been made on instructions of the Department "it is not only unbusiness-like but also illegal."