

A.—In 1871, the steamer *Chicora* having been running for several years in the Collingwood and Lake Superior line, was about to be sold to Colonel Sibley, of Silver Islet, to be put on between the head of Lake Superior and Detroit, an opposition line, and I conceived, she being the best of our steamers on these waters, that it would be equivalent to the breaking up of our line if we were to lose her; and I considered how it was possible to retain her in the line and the only method of doing that was to buy her over Sibley's head.

Q.—Did you become the purchaser, then?

A.—It was my anxiety to get her bought, so as to retain her in the line, and with that view I organized a party to subscribe and buy this steamer, of which party I undertook to find one-third of the capital.

Q.—What was the whole capital to be?

A.—The whole purchase was somewhere about \$60,000.

Q.—How much of that came out of the funds of the Company?

A.—The proposition at that time was, not that I should take upon myself the burden, but the manner of it was this:—the Company could not, according to law, itself become the proprietor of the boat, therefore I went in to save her to the line, taking own-third in my one name, which, however, I proposed to carry for the Company. That is to say, the Company was to find me half the money for the one-third interest which I had assumed.

Q.—Then the purchase money was \$60,000, your third was to be \$20,000, and the Company was to furnish half of the \$20,000?

A.—Yes.

Q.—Did the Company furnish half the money?

A.—No.

Q.—How much?

A.—\$7,600.

Q.—Do you mean the Directors of the Company agreed to furnish that?

A.—No, the programme was this—first, secure the boat; second, that, in order to do that, I was to assume one-third of the purchase. I had not the means to assume that one-third, and I took it upon myself, as representing the Company, to assume at least half.

Q.—Then did you assign one half of your purchase to the Company?

A.—What I mean is that, after the Company had paid \$7,600, I had to find the balance independent of the Company altogether.

Q.—The Company were not purchasers of the boat, so they had no interest in the boat?

A.—They had every interest.

Q.—How was the \$7,600 paid?

A.—It was paid by a cheque of the Company, by a draft made by myself.

Q.—That is, you drew upon the Company, and the Company cashed the draft? And that is the only money that went into the *Chicora* of the funds of the Company?

A.—Yes.

Q.—Is the *Chicora* on that route still.

A.—She is, but she is laid up.

Q.—How was that \$7,600 charged in the books?

A.—It was charged to Parliamentary Expenses.

Q.—Parliamentary Expenses? when was that charge made?

A.—At the time of the draft.

Q.—What was the date of that?

A.—The 28th of February, 1873.

Q.—That is to say, a draft on the Treasurer of the Company in your own favor?

A.—No, in favor of my son. I was at Montreal.

Q.—Did this draft direct it to be charged to Parliamentary Expenses Account?

A.—It directed the amount to be charged to Parliamentary Expenses.

Q.—And that was done accordingly?

A.—That was done accordingly.