

Robert McGreevy's letter, on page 211, seems to show clearly that the contractors had secret assurances from the Minister before signing the contract that a rebate would be made on the \$50,000, though no such provision was to be embodied in the contract.

On the 16th of April, 1885, Bennett reported that the contractors took over, without demur, the plant and material to the value of \$38,038.28, but expressed themselves reluctant to receive the balance. On the same day Trutch writes to Sir Hector Langevin that the contractors, Larkin, Connolly & Co., were unwilling to take over the articles of plant to the aggregate value of \$12,403.09, as per schedule, as they did not find them suitable for their purposes.

On the 12th of May, 1885, Perley writes to Trutch: "I am directed by the Honourable the Minister of Public Works to state that the specification is very clear, and that there is no option on the part of the contractors to take what plant, &c. they please, and to refuse what they do not want, and that they will have to take over all that is named in schedule."

In January, 1886, after paying a visit to British Columbia, Perley reported to the Department that he presumed the value of the plant, materials, &c., would become a question at a future date between the Department and the contractors.

No further evidence appears on the question of this rebate until 1887, when, in January of that year, Perley submitted his final estimates, and allowed the contractors a rebate of \$19,873 on the plant, being about \$6,000 more than they had asked to be allowed in April, 1885, when they accepted the plant.

Mr. Perley stated in his evidence that he took the responsibility for this deduction, without reference to the Minister, although this statement he subsequently modified by saying that it was probable his report on the subject was discussed with the Minister.

Sir Hector Langevin, in his evidence, denied that he had been consulted by Perley before he made this reduction.

PROPOSED CHANGE TO LENGTHEN DOCK 100 FEET.

At page 177 of the Evidence Murphy states that he was instructed by his partners to try and get the Dock lengthened 100 feet, and that he offered Thomas McGreevy \$50,000 to have it done, and that Robert McGreevy was made aware of their desire to obtain that change.

The letters written to Murphy from the partners in British Columbia fully corroborate his statement of their strong desire to lengthen the Dock and their willingness to pay bribery money to obtain the change.

Michael Connolly writes under date of 15th of February, 1885, to Murphy: "If the two hundred and fifty thousand pass in the Budget we of course will have some work to tear down, &c., but if you can get a contract for extending at \$250,000, we can give \$50,000." And again on the 25th February: "I told you in a letter, lately, that if \$250,000 were granted for extending the Dock we would give fifty of it for some charitable purpose."

Thomas McGreevy appears to have used his influence to effect this change, and in a letter to his brother of 1st of March, 1886, says that he thought it would be done, and that Sir Hector was going to put an \$150,000 in the Estimates for it.

His belief was well founded, because we find that on the 18th November, 1889, Sir Hector reported to Council, advising that the Dock should be lengthened 100 feet, at a cost of, at least \$100,000, and that an Imperial contribution should be applied for.

This recommendation was concurred in by Council on 21st November, and an application was made accordingly to the Imperial Government, who, however, declined incurring further expense in the matter, as the existing Dock was, in their opinion, large enough for all naval requirements.

No Imperial aid being therefore forthcoming, the extension was not carried out.