

TUESDAY, April 16, 1907.

The committee resumed at 8 p.m.

Examination of Mr. Sprague continued.

By Mr. Sloan:

Q. I want to ask Mr. Sprague one or two questions about Mr. Michaelis. We have had a few questions here about a gentleman named Michaelis, do you know anything about that question at all?—A. Well, I remember the circumstances.

Q. You may explain your knowledge of that matter?—A. My understanding of it was that Mr. Michaelis was shipping lumber into the neighbourhood of Pense, where there were two of our members, and that he was shipping it in a way that we did not approve of, that is to the consumers at lower prices than the list. Mr. Marling and Mr. Wilkinson came down to Winnipeg, I believe, although I must admit I had forgotten the circumstances until it was recalled to my mind through the evidence, but my recollection of it is now that they came down there with this complaint. The Manufacturers' Company was formed at that time, and they were looking, to a certain extent, after the shipments of lumber for the manufacturers. Mr. Thompson came with them, and it was arranged, or at least I authorized the secretary to pay \$57, I think, or one-half the expenses of Mr. Marling to go to the Coast, not for the purpose though that Mr. Wilkinson would give the committee to understand. The understanding was that he would go and try to buy this stock of lumber from Michaelis, that is Marling was to go—

The CHAIRMAN.—That was one of the things he said.—A. No, he said he was to go and buy Michaelis off, which is a different thing.

Mr. LANCASTER.—It was a little discreditable, he said he was to buy him off or to buy the other men to break their contract with him?—A. There was no contract to break, because this was lumber that Michaelis had bought himself, and the only thing to do was to buy the lumber and ship it in in the ordinary way. The association had nothing further to do with it, neither did they authorize or pay any further expenditure. The only reason for paying the \$57 was that in my judgment I thought we ought to contribute something as two of our dealers were being interfered with in their business. Mr. Marling went out there, as I say, at the expense of the two associations, the Manufacturers' Company and the Retail Lumbermen's Association, which each paid one-half the expense. When he got there he could not buy this lumber, so he tried to get one of the dealers out there, a Vancouver man, the Brunette Saw-mill people, to sell him lumber at \$2 per thousand cheaper, which apparently they could not afford to do at that time, and when he failed in that, according to what Mr. Lewis tells me he wanted them to pay him \$50 on account of his expenses, so that that is the whole history of the transaction.

Q. He wanted who to pay him?—A. The Brunette Saw-mill Company.

Q. For what?—A. To contribute \$50 towards his expenses.

Q. What did he ask that for?—A. I do not know, that is simply what Mr. Lewis told me.

By Mr. Sloan:

Q. Where was this lumber coming from, do you know?—A. I really do not know, it was coming from the Coast some place.

Q. You do not know anything more about that question than what you have related to us?—A. No, I do not know anything more about it.