

Mr. ALEX. JOHNSTON, Deputy Minister of Marine, called, sworn and examined.

*By Hon. Mr. Reid:*

Q. Perhaps, Mr. Johnston, you might make a statement in connection with this matter in your own way?

*By Mr. Carvell:*

Q. We are referring to the Russian ice breaker?—A. Yes, and to the transfer to the Russian Government, not to the matter of entering into the original contract, that is not being considered.

Q. That is not being criticized?—A. Well, in so far as the transfer to the Russian Government is concerned, the Department of Marine and Fisheries had absolutely nothing to do with the negotiations which led to the transfer of the boat. The very first intimation that the Department received was when copies of communications through the Governor General's office were received at the Department.

Q. Have you the date of them?—A. I have the date.

Q. We have it in evidence that it was some time in February, 1916?—A. How far it is permissible to refer to the documents, I do not know. The documents are Governor General's and Colonial Office documents, and as you know it will be necessary—

Q. I may enlighten you on that point. Mr. Fraser has already given evidence this morning, and the letter you wrote him on the 1st September, and extracts from the Order in Council with the cablegrams from the Colonial Secretary and also the reply to the Governor General have been put on the record?—A. Well, the receipt of these documents was the very first intimation that the Department had received that the transfer had been agreed to.

Q. Had been agreed to?—A. Had been agreed to.

Q. There is no evidence like that here.

*By Mr. Devlin:*

Q. Between whom?—A. A member of the Government.

*By Mr. Boys:*

Q. The Canadian Government?—A. Yes. A request came to the Canadian Government through the Governor General from the Colonial Office in London on behalf of the Government. Those cablegrams are in evidence. That is the first intimation that the Department had received that the transfer had been agreed to.

*By Mr. Carvell:*

Q. You do not mean to say that the transfer had been agreed to away back in February, 1916, when these cablegrams passed?—A. The transfer was agreed to then.

*By the Chairman:*

Q. In pursuance of those cablegrams?—A. If the cablegrams have been read there is no reason why they should be withheld any longer

*By Mr. McKenzie:*

Q. They are referred to in the Order in Council?—A. As a matter of fact, they are quoted in the Order in Council. If the Order in Council has been produced they are quoted there.

*By Mr. Devlin:*

Q. Prior to those cables, was there absolutely nothing in writing before the Department?—A. Absolutely not a single word either in writing or speaking in so