

justification, and that the contractors received this money without giving any consideration therefor, being bound by their original contract to do the work. And we find that all the facts were known to Sir Hector Langevin and his engineer, Perley, and that their conduct in assenting to the giving of this contract was highly censurable and a violation of public trust.

We further find that the payment of \$65,900 to these contractors as alleged damages was illegal and unjustifiable. That the conduct of Perley in recommending it, and of the Minister in sanctioning it, was a violation of public trust.

That the express condition on which Sir Hector recommended the Governor in Council to agree to the supplementary contract, viz., "that the contractors should make no claim for extras for the future," was deliberately violated, and claims for extras to the amount of \$50,241.02 were made and allowed, and that in permitting and sanctioning these payments both Sir Hector and Perley, his engineer, were guilty of violations of public trust.

#### No. 4

CROSS-WALL CONTRACT, 26TH MAY, 1883.

"(a.) That in the year 1883 Larkin, Connolly & Co., amongst others, tendered for the Cross-wall in connection with the Quebec Harbour Works, and that before tendering, and in order to secure the influence of the said Thomas McGreevy, they took into partnership with them Robert H. McGreevy, a brother of the said Thomas McGreevy, giving him a 30 per cent. interest in the work, and that this was done with the knowledge and consent of the said Thomas McGreevy.

"(b.) That among the parties tendering were a contractor named George Beucage and one John Gallagher. That Beucage's tender was made at the instance of the said Thomas McGreevy, and that with the knowledge of the said Thomas McGreevy, the tenders of Larkin, Connolly & Co., of Beucage and of Gallagher were prepared by members of the firm of Larkin, Connolly & Co.

"(c.) That while the tenders were being examined and quantities applied in the Department of Public Works the said Thomas McGreevy obtained from the Department and from officers thereof, information in relation to said tenders which he offered to communicate, and did communicate, to Larkin, Connolly & Co. before the result was officially known.

"(d.) That to the knowledge of the said Thomas McGreevy the tenders of Gallagher and Beucage were lower than that of Larkin, Connolly & Co., but in consideration of the promise of \$25,000 the said Thomas McGreevy agreed to secure the acceptance of the tender of Larkin, Connolly & Co. That to this end he suggested to members of that firm to so arrange and manipulate matters with Gallagher and Beucage as to render the tenders of these two parties higher than that of the said firm. That certain arrangements and manipulations were carried out as so suggested, and were participated in by the said Thomas McGreevy, and in consequence the said contract was awarded to the said Larkin, Connolly & Co. That shortly thereafter \$25,000 was paid to the said Thomas McGreevy in fulfilment of the corrupt arrangement above stated, and about the same time a sum of \$1,000 was paid by Larkin, Connolly & Co. towards "The Langevin Testimonial Fund.

"(e.) That in the course of the carrying out of the works the said Thomas McGreevy caused changes, against the public interest, to be made in the said contract."

10. That in the same year, 1883, tenders were called for a Cross-wall and lock in connection with the harbour works at Quebec, in accordance with plans and specifications prepared in the Department of Public Works under the direction of Henry F. Perley, Esq.