

## APPENDIX No. 3g

Q. They have been paid \$16,803 subsidy less than they claimed from the department ?

A. Oh, no.

Q. Less than they claimed ?

A. They claimed more than that.

Q. Originally, but it was reduced.

A. Quite so.

Q. Then \$16,803 less than the smallest amount they applied for ?

A. Yes, quite so.

Q. Then, to go back to the controversy, that led to this, the refusal of Mr. McDougall to act upon the Order in Council has in that one instance at all events saved \$16,803 ?

A. Well I would not say that exactly. If it was a final settlement I think it would be that.

Q. That is completed to date ?

A. Yes.

Q. If that be considered a final settlement, Mr. McDougall by refusing to act on the Order in Council, did save \$16,000.

A. Yes, that is correct.

Q. And during these six years there has been nothing paid ?

A. There has been nothing paid.

Q. Five years at all events ? I think that is all I want to ask you, Mr. Schreiber.

Witness discharged.

MR. J. LORNE MCDUGALL.—I want to make a remark or two before Mr. Schreiber leaves the room, especially with reference to what Mr. Schreiber said in answer to Mr. Emmerson. I do not want to enter into any controversy about anything. He asked for an explanation as to the view I took, and the documents are in this paper (referring to a document in his hand) that will support my view or confound it. It may be that I came to a wrong conclusion. I want to speak with reference to Mr. Schreiber, as I supposed, knowing from the beginning the excessive nature of the expenditure. When Mr. Keefer returned from visiting Sorel, as I understood from him and understand from him now, because he is in town, he was only one day at Sorel. With his figures I sent to Mr. Schreiber the statement that appears here as to the quantities as Mr. Keefer found them, and asked for a statement of the money that he made these amounts represent. He did not confine himself to the statement that I sent, but added to that the superstructure to make this statement complete. I presume that probably you will think as I did—you may not think that—when he completed this statement he also verified the figures. I wrote to him on the 22nd, as appears here, on the 22nd of February, and he answered me on the 26th, as appears in the papers. I take it, however, that when he had these statements complete to his hand, before I sent them to him, because he could not in the meantime have found them, from any information that I supplied, he must have taken them from the plans. He took the superstructure, I suppose, from the knowledge that the engineer gave him and added that to the figure she had in hand. Then, as I say, I drew the conclusion that Mr. Schreiber knew how different the expenditure put in was from the actual cost of doing this work. I am taking that to-day to be the evidence that he did know, whether I am right or wrong. But I want everybody to understand that so far as Mr. Schreiber and I are concerned personally, we are living on the best of terms, and as I said before, I do not want to attribute that good result more to myself than to him. I think it is rather more due to him than it is probably to me that we are so