

several partners. The bank books also showed that these two sums of money were drawn on the days the cheques were respectively dated, but the figures of the Teller of the Bank of British North America on the back of the cheque dated 21st November showed that the \$5,000 was drawn out of that bank on the cheque in notes of the following denominations :

10 x \$100.....	\$1,000
6 x \$500.....	3,000
1 x \$1,000	1,000
	\$5,000

Sir Hector Langevin in his sworn statement refers to this charge as follows :—

“ 1st. In answer to the charge made by Mr. O. E. Murphy that he gave me, in my house in Quebec, on two different occasions, the sum of \$5,000, making in all \$10,000, I have to say that O. E. Murphy was only once in my house, when he came to complain that one of the assistant engineers of the Quebec Harbour Commission was too hard with the contractors for the works. My answer was, that those officers not being Government officers, the complaint of the contractors should be made to the Quebec Harbour Board and not to me. I add that Mr. O. E. Murphy did not speak to me about money, gift, or loan; that he did not offer, loan or pay me any sum of money; and I swear positively that he never paid me the above-mentioned two sums of five thousand dollars each, and I never asked him for money.”

After the charges had been preferred in the House by Mr. Tarte, Sir Hector read a reply, in which, referring to this particular charge, he said “ directly or indirectly I never asked the contractors, named in the motion, for money, cheques, or notes, nor did I receive any such money, cheques or notes from them for my use, profit or advantage.”

Both Nicholas K. Connolly and Patrick Larkin when examined denied any knowledge of these payments having been made to Sir Hector, and further denied that Murphy had ever told them he had made the payments, but as regards Nicholas K. Connolly's denial his evidence was of such a character that no reliance can be placed on his statements respecting any of the improper payments made by the firm.

We cannot pass from this subject without calling attention to the fact that while each of these payments of \$5,000 on November 2nd and November 21st, 1887, were entered in the books of Larkin, Connolly & Co. on these respective dates as “ donations” chargeable to Lévis Graving Dock, and while each of the cheques was endorsed by Nicholas K. Connolly personally, both he and Larkin professed themselves unable to give any information as to the person to whom or object for which these large sums of money were paid or intended to be paid.

FINDINGS.

We find that the \$10,000 was drawn by Murphy from the bank on the respective dates of the cheques, November 2nd and November 21st, 1887, and that each of the cheques was endorsed in the handwriting of Nicholas K. Connolly, but in view of the statement on oath made by Sir Hector that Murphy “ did not offer, loan, or pay him any sum of money,” which we assume he intended as a denial of his having received any moneys whether as gift, loan or payment, we are unable after much doubt to come to the conclusion that we would be justified in finding this charge proved.

CONCLUSION.

In concluding their report your Committee would observe that the manner in which the several contracts were obtained by Larkin, Connolly & Co. from the Public Works Department and the Quebec Harbour Commissioners, the modifications subsequently made in these contracts in the interests of the firm, the enormous