

part of the corrupt arrangement to which the Exhibit "M5" has reference, but subject to any argument presented by his Counsel a very strong inference is to be drawn against the conduct of Mr. Thomas McGreevy in the matter.

The correspondence referred to in this charge will be found at page 13 of Blue-book.

(c.) That in the execution of the works of the above contract extensive frauds were perpetrated to the detriment of the public treasury and sums of money were paid corruptly to officers under the control and direction of Henry F. Perley and appointed by the Quebec Harbour Commissioners.

While the contract was limited to \$100,000 and would, therefore, roughly speaking, at the price named cover only 280,000 yards, yet dredging to the extent of 731,000 yards was done under its provisions and terms, and was paid for during the seasons of 1887, 1888 and 1889, and the contractors seem, without any particular authority or direction, to have dredged in some places to a depth of 26 feet. Of this total number of yards a very large quantity was dumped in the river and 49,804 yards were used for filling and paid for as such under the Cross-wall contract, making a total of 80 cents per yard for this latter work. (Evidence of Boswell, page 876.)

In the carrying out this contract it appears clear that the inspectors, Brunelle, Pelletier and Germain, received from time to time payments from the contractors, which according to the evidence of Martin P. Connolly (pages 539, 540, 541, 542, especially foot of 541 and top of 542), had relation to quantities of material improperly certified to by them. See also evidence of Murphy, page 124, and of Robert McGreevy, foot of page 620.

This charge seems to be conclusively proved in so far as it has relation to corrupt payments to inspectors and employees of the Quebec Harbour Commissioners.

#### LÉVIS GRAVING DOCK.

While there is evidence of corrupt and improper bargaining by Thomas McGreevy, by which he received \$22,000 for procuring this lump sum contract, there is no suggestion made that the Department of Public Works, either through the Minister or the Chief Engineer, was aware of the improper understanding alleged.

The wisdom of the change from an item contract to one for a lump sum is not attacked and seems to have been reasonable under the circumstances detailed in evidence. The charge so far as it affects Mr. Thomas McGreevy is left to be answered by his Counsel.

B. B. OSLER,  
H. McD. HENRY.