

with \$400 in my pocket. I was admitted into his room along with himself. I counted out \$400. Mr. Fitzgerald had the brazenness to count it after me, and pocket the money. He pressed me very hard to make it larger. I had \$200 extra in my possession, which I inadvertently drew from my pocket shortly after giving him the \$400. He urged me to hand it to him. I told him I really could not spare it: that the whole weight of the contract was upon me; I was alone, and my partners had failed; I had some of our old liabilities to meet, and I really could not do more. I subsequently promised, however, to give him \$200 extra when I got through with the payments on the line. I did not give him the \$200 extra, because I had not the money left. Next month came round. Mr. Fitzgerald came to see me shortly before he sent the estimate away, and said: "Gough, what about this month?" I asked him to make the estimate on the strength of the returns which I had before demanded—I think at least \$6,000. He said: "What will you do this time?" I said: "I will give you \$1,000 this time." He said in reply: "Now, Gough, you did not use me fairly last time; do not go back on this arrangement." I told him, in reply, it was to my interest, as far as I was able, in getting the returns for which I had pressed for two years, that I should carry out the arrangement. At that time he said voluntarily: "By gad, Gough, if I were in your place, I would have a good deal more returned." This I interpreted to mean that I had not asked him to do enough, so as to make the consideration to him larger. During the next month, pending the receipt of the estimate, I had two visits from Mr. Fitzgerald, and upon each occasion he called me to an adjoining room, and reminded me that I should "come down with the \$1,000 this time." I said he might rely on my doing the utmost possible. The estimate arrived after a few days, and I again found my requirements so large that I was not able to take over to him the whole \$1,000. I went over with \$500. I was admitted to his sitting-room, and counted out the \$500 in Montreal Bank notes; the former \$400 having been in Maritime Bank notes. Mr. Fitzgerald coolly counted the notes after me, and pocketed them. I subsequently urged Mr. Fitzgerald, on account of claims which I had previously made of being entitled to savings I had made, and to still add to my returns on consideration of my giving him money, seeing that he would not do it without being paid. The next month I think he made no addition. The month following that, I enclosed him a cheque for \$500 as an earnest that he would get the money which he had claimed, and that he might not be so dependent upon my necessities as he had been previously, and about which he had made long complaints to me.

1521. Had you any written communication with regard to any one of these transactions?—I wrote to him. He did not write to me. He found fault with me for telegraphing with him on the subject.

By Mr. Scatcherd:—

1522. Did you keep a cash-book in which you entered these items?—I did.

By Mr. Mitchell:—

1523. And how are they entered?—"Cash paid, James W. Fitzgerald." My clerk entered it.

By Mr. Mills:—

1524. Your clerk was not present when it was paid?—No.

1525. Who was your clerk?—W. A. McPherson. He was my cashier then. Mr. Fitzgerald did not get the money for that cheque for \$500, because the contract terminated, and the money was not forthcoming.

1526. When was this cheque given?—I cannot say. I think January, 1874.

1527. Was it long before the contract was terminated? Would it be two months?—I think not so long.

1528. Who is Mr. Sutherland?—A merchant with whom I have had considerable dealings.

1529. What had he to do in the matter?—He was a party to the arrangement with Mr. Fitzgerald in inducing him to increase the estimates, so that I might obtain the rights I had so long contended for. Mr. Sutherland was to share in the increase; that is