

Q.—There is a quotation made in one of Mr. McMullen's letters. A series of paragraphs from the paper, communicated by the Canada Pacific Company to the Government, stating distinctly that so far as that Company was concerned, they had no connection with American capitalists?

A.—Yes.

Q.—That truly expressed the action of the Canada Pacific Company?

A.—Most decidedly.

Q.—Of which you were a member?

A.—Yes.

Q.—You were not aware of this correspondence with Sir Hugh Allan?

A.—I was not aware of it.

Q.—So that these communications between Sir Hugh Allan, Mr. McMullen and others, were matters personal to Sir Hugh Allan himself, for which the Canada Company were in no way responsible, and which they repudiated when they were known?

A.—Entirely so. Except as to the repudiation they did not become known until after the Canada Company had ceased to take any action in the Pacific matter?

Q.—Mr. McMullen in the discussion of the particular question refers to a trifling matter to which I might as well refer. Mr. McMullen said in effect, that at an interview which he had with Sir John A. Macdonald he gave him copies of documents, Sir Hugh Allan's drafts for the \$40,000, and the receipts of Mr. Todd for the Private Bills expenses of the Canada Improvement and Canada Pacific Railway Companies paid by him?

A.—In that communication of Mr. McMullen he professes to slight or disparage the statement of the Canada Pacific Company, that they had nothing to do with the Americans, and he quotes in support of his pretension that they had, the fact that he had paid the House fees on the Bills which were introduced in the first instance in the House for the Canada Company. In point of fact, that fact is true, though the inference is not correct. I believe he did pay the House for the two Bills and some other trifling expenses.

Q.—What would they amount to?

A.—The House fees were \$245.00 for which I got receipts. There were some other trifling expenses, probably amounting to \$100 or \$150 more.

The receipts for the House fees are herewith produced and filed marked "S." and "T." In fact Mr. McMullen did keep up a certain amount of connection with the promotion of the Pacific Bill, after he was perfectly aware that all connection with the Americans must cease. He was a Canadian himself, and was very anxious to keep himself connected with the scheme so far as he could, in hopes of something turning up in the end. He met Sir Hugh Allan occasionally. The Bills were called up in the Committee hurriedly, and it was necessary to have the fees paid on them before they could be passed through the Committee, and to the best of my recollection I said "I wish Sir Hugh would send the money," or "I wish I had the money to pay the fees," or something of that kind. He said he had money for such purposes, and he paid the fees. The matter had entirely slipped from my memory, as I supposed he had settled it with Sir Hugh Allan. However, when negotiating for giving up Sir Hugh Allan's correspondence last January, he told me that he had these receipts for the House fees, and the other small expenses I have mentioned. I told him to bring them to my office and I would give him a cheque for the amount unless Sir Hugh Allan settled with him. Sir Hugh Allan did settle with him, and Mr. McMullen gave up those receipts to me.

Q.—Are you aware what sum Sir Hugh paid him in relation to giving up the correspondence?

A.—The sum of \$20,000.

Q.—Are you aware of what money he refunded of what he received from the United States capitalists?

A.—He told me that he had refunded it all.

Q.—Do you know anything about the sealed packet of letters left with Mr. Starnes?

A.—Yes. It was I who arranged for their deposit with Mr. Starnes. About the latter end of the year Mr. McMullen himself, I think, told me that he had a number of letters.

Q.—Letters of what year?

A.—Of 1871 and 1872, I think. He (Mr. McMullen) made an application to Sir Hugh Allan, claiming that his people had the right to command the services of Sir Hugh Allan in connection with the Pacific contract, and stated that Sir Hugh had not used them well, and that he ought to pay whatever advances they had made, and also for their loss of time and other claims. The demand made by Mr. McMullen amounted to a con-