

that on the 18th March, 1914, a contract was concluded between the Department of Marine and Fisheries of the first part and Canadian Vickers, Limited, of Montreal, of the second part, for the construction of an ice-breaking vessel at a cost of \$998,583;

“That under date of 25th February, 1916, the Secretary of State for the Colonies telegraphed the Governor General as follows:—

“‘It is the wish of the Russian Government to acquire an icebreaker of the Canadian type which it is understood is being constructed at Vickers’ works at Montreal. The Russian Government have been permitted to order six such vessels from the United Kingdom. In the present scarcity of merchant tonnage His Majesty’s Government regard the results of Russian port facilities which are expected from the provision of adequate number of ice-breakers as most important. The Canadian Government will be rendering valuable assistance if they can agree to the transfer of this vessel to the Russian Government and offer such help as is possible to ensure delivery by the middle of October, 1916, in readiness for service in the following winter. Should be glad to have views of your Ministers as soon as convenient.’

“That under date of 26th February, 1916, the Governor General telegraphed to the Secretary of State for the Colonies, as follows:—

“‘Your telegram of yesterday respecting icebreaker. My advisers will agree to transfer of this vessel to Russian Government and they will give every possible assistance to ensure delivery by middle of October as requested.’”

That is the end of that cablegram.

Q. Now you are going on to complete the Order in Council?—A. Yes (Reads):

“That having regard to the importance to Canada and the British Empire of the service to be performed, it was decided to transfer the vessel on the understanding that the total amount of money paid to Canadian Vickers, Limited, under the terms of the contract alluded to in paragraph 1, viz:—\$349,504.05, be refunded to the Government of Canada.

“That Canadian Vickers, Limited has refunded to the Department of Marine and Fisheries for the use of the Government of Canada the total amount of \$349,504.05 paid to the company under the terms of the contract of the 18th March, 1914.

“The Committee, on the recommendation of the Minister of Marine and Fisheries, submit the same for approval.

“Sgd. RODOLPHE BOUDREAU,

“C.P.C.”

Q. I observe that in the last paragraph of the Deputy Minister’s letter the statement is made that if the Order in Council which you have just read did not clearly set forth the intentions it could be supplemented by a further Order in Council.—A. Yes.

Q. So far as you know was any further Order in Council passed?—A. I never saw it.

Q. Have you ever heard of any further Order in Council being passed?—A. No.

Q. And that was the end of it so far as the Canadian Government was concerned, and as far as you have been able to obtain information from the documents?—A. Yes.

Q. And as a result of that did you release the money and the deposit receipt?—

A. Yes, both.