

we have also supplied ourselves with the necessary derricks capable of running the work of construction of Wellington bridge; they now want to turn all those engaged on to their list, which would increase the cost of the work 75 per cent. Imagine their trying to place pick and shovel labourers, whom I employ for \$1.25 per day, at \$1.87½ on his (E. St. Louis') list.

As you are, no doubt, aware, I am, and have been, working night and day, to push the work forward, and it will be too bad, when completed, to have the press crying out against the department and Government, the enormous amount of money this bridge has cost. If the hon. the Minister of Railways and Canals is cognizant of these facts, and endorses them, why, I shall accept in humble silence.

Well, the Minister was cognizant because the Solicitor General, immediately after he got this letter, waited upon the Minister and informed him of Kennedy's statement, as I gather—

Mr. HAGGART. Where is there any evidence of that?

Mr. DAVIES (P.E.I.) Let me finish the sentence—as I gather from the Solicitor General's reply, because Mr. Solicitor General writes the following day in reply to that same letter:

My dear Kennedy,—I have seen the Minister of Railways and Canals, and found that all has been tendered for, including labour for the carrying out of the work of the bridge.

Mr. CURRAN. Read on.

Mr. DAVIES (P.E.I.) There is nothing more on this point. I will give the hon. gentleman the page and need not lengthen my speech by reading the rest of the letter.

Mr. CURRAN. It is a very short letter.

Mr. DAVIES (P.E.I.) If the hon. gentleman is anxious that I should read it, I certainly shall. The letter I referred to was that Mr. Solicitor General received a letter from Kennedy, the superintendent of the canal, pointing out the outrageous character of his contract and the discontent sure to arise if the work was carried on in the same manner. He pointed out that it was being conducted in a scandalous manner, and the Solicitor General, on the very day he received the letter, went to see the Minister of Railways and Canals, and wrote the next day to Mr. Kennedy that he had seen the Minister. The remainder of the letter reads as follows:—

As superintendent of the canal, you will, of course, have to certify to the accounts, and it will then become your duty to see that nothing is certified to that is not, in your judgment, absolutely correct. In the event of disagreement with any of the contractors as to the classification of work or the prices to be paid for it, you will, of course, have the matter referred at once to the Minister at Ottawa, so that you may not be held responsible in the future for any application of any false principle in connection with the nature of the work done. A question may arise as to what is skilled labour, and here you may

have some conflict with the contractor; but your plan is to refer the matter to the department and guided by their decision, in which case you will not be responsible.

Mr. CURRAN. Hear, hear.

Mr. DAVIES (P.E.I.) The hon. gentleman sees that while the Minister of Railways denied that he had knowledge of the facts contained in Kennedy's letter, we have the letter of the Solicitor General saying that he had seen the Minister, and it is inconceivable that the Solicitor General could have written that reply unless he had shown Kennedy's letter to the Minister.

Mr. CURRAN. If the hon. gentleman will allow me to interrupt him, I would explain that I got that letter and came to Ottawa with it, but when I found that the contract had been extended, I thought the letter was too strong and that it would injure Mr. Kennedy if I were to read it to the Minister. I got the information from the Minister that the contract had been extended, and I wrote to Kennedy to be careful how he carried out the work and not to certify to anything that was not absolutely correct, but I did not read Kennedy's letter to the Minister.

Mr. DAVIES (P.E.I.) Does the hon. gentleman deny that he went to see the Minister after he got Kennedy's letter.

Mr. CURRAN. Not at all, I have just said that I did.

Mr. DAVIES (P.E.I.) That was all I was trying to prove, so that there was no occasion for the interruption. What will the House think when I tell them that the day after Kennedy wrote that letter, St. Louis and Emard came to Ottawa to settle this matter with the Minister; and as a matter of fact, on that very day, the 13th March, the contract with St. Louis was actually extended to ordinary labour. It was not until the 13th March—the day after Kennedy wrote that letter—that they extended St. Louis' contract from skilled labour to ordinary labour, and that was the cause of all the trouble. That was the thing which enabled these men to perpetrate this fraud. That threw the door wide open to fraud, and we have the letter from the Solicitor General to Kennedy telling Kennedy to be careful how he certified and to throw all the blame upon the department. I believe it came out in evidence that Mr. Emard is a gentleman who had more than ordinary influence with the Government of the day. Nobody would imagine that such a contract as Mr. St. Louis had could possibly be extended from skilled to ordinary labour unless special influence was brought to bear. It was sworn that Mr. Emard was in close relationship with the Minister of Public Works—a partner, I believe—and therefore a gentleman who naturally would