

ies, that his department had negotiated directly with the builders in England for these vessels. You can imagine my surprise when, during the present year, I was speaking with a ship-builder in England, from whom I understood that the negotiations were made through a gentleman residing in the city of Montreal, and that five per cent commission was allowed on the purchase of the vessel in England. Now, that vessel I think cost about \$300,000, and \$15,000 of a rake-off is going to some one. That amount is exactly equal to the excess of the tender for building the ship in Collingwood. Now, it seems to me that the reason the government purchased that vessel in England was in order to give a rake-off to some one, and there would be no way by which we could find it out. When this comes up another year, I am going to try to find it out. Perhaps, now that I have mentioned the matter, the recipient of the rake-off will pretend to refund the money. I shall bring it up again, because there is no reason why the Minister of Marine and Fisheries, or some of his officials, his deputy minister, or some one else, could not go to England and negotiate the purchase without employing this man in Montreal. Probably the Prime Minister will say that this is only hearsay. Now, I got it from a ship-builder, and he said that it was all right, there was no reason why the government should not pay a commission. You would think that the government were capable of going to England and negotiating the sale. Here is a vessel, the 'Niobe,' costing over a million dollars; if five per cent commission is paid on the sale, it will make enough to enable some one to retire for the rest of his life. I would like to know whether that has been done in this case, the same as it has been done in the case of other vessels purchased by the Marine and Fisheries Department, for instance, in the case of the notorious 'Arctic.' When that vessel was purchased, everybody knew, it was public property, that there was \$10,000 in it for some one. If there is going to be a rake-off of five per cent on the purchase of all these vessels for the navy, some one will get \$150,000 in his pocket.

Sir WILFRID LAURIER. My hon. friend will be heart-broken, I am sure, when I tell him that there was no commission whatever paid on the purchase of this vessel.

Mr. J. D. REID. How do you know?

Sir WILFRID LAURIER. I know it because there was a direct transaction between the Canadian government and the British government, carried out by correspondence, and in no other way, so that the suspicions of my hon. friend are altogether unfounded. There is a saying that to

Mr. J. D. REID.

the pure all things are pure. I cannot apply that saying to my hon. friend, because he is always smelling scandals, he is always suspecting some one of getting commissions. I will tell him exactly how the vessel was purchased. I will read the order in council, which has already been placed before the House:

On a memorandum dated 3rd January, 1910, from the Minister of Marine and Fisheries, stating that he has had under consideration the question of the purchase from the admiralty of an additional cruiser for training purposes in connection with the naval forces of Canada.

The minister observes that the technical officers of the Department of Marine and Fisheries recommend that a ship of the 'Spartiate' class be obtained. They submit that it will be necessary, until the new ships for the Canadian navy are ready for use, to provide a ship in which large numbers of men can be completely trained. The 'Spartiate' class will not only afford the means for such training but will obviate the necessity for having so large a proportion of skilled ratings from the Royal navy on the manning of the new ships.

The minister further observes that in these circumstances he caused inquiries to be made of the admiralty as to the terms on which a ship of the 'Spartiate' class could be obtained, and he is informed that subject to the approval of the treasury department, the admiralty are prepared to sell the 'Niobe' to the Canadian government for a lump sum of £215,000 in efficient seagoing and fighting condition, including guns, torpedoes, ammunition, packages, outfit, and sea stores without coal.

The minister is advised that the 'Niobe' was completed at a cost of £600,000, and that her dimensions and equipment are as follows:

I have given them already.

The minister, concurring in the report of the technical officers of the Department of Marine and Fisheries recommends that authority be given to purchase the 'Niobe' from the Lord Commissioners for a lump sum of £215,000, subject to the money being voted by parliament.

When that money is voted by parliament it will go over to England by a cheque, the vessel will come over to Canada, and that is all there will be about it.

Mr. J. D. REID. The right hon. gentleman does not prove his case. He says himself that the Minister of Marine and Fisheries caused inquiries to be made. That is exactly what he did in regard to the other vessels that were purchased last year and the year before, he caused inquiries to be made. This gentleman from Montreal is the man who makes the inquiries, he is sent over to England and inquires from the admiralty, and he tells the admiralty. I will sell this vessel if you will pay me five per cent commission. The Prime Minister knows well enough that at the time the English government were pur-