

LANGES CANAL.

Davies' Exposure of the Late Attempt to Raid the Dominion Treasury.

Factors Would Have Been Allowed to Profit at Country's Expense.

April 16.—In the house to-day the motion to go into committee on the supplementary supply was brought forward by Mr. Davies rose to expose an attempt to add to the evidence of the government to the people's money. This is the Soulanges canal. Before the exposure of the matter Mr. Davies indulged in a brief review of the past and the government in defiance of public opinion, adheres to its policy. He quoted figures which were given by Dr. Landerkin:

	Estimated	Actual
Rapid lock.....	\$ 45,000	\$ 255,000
Channel contract.....	312,000	620,630
Branch B.....	556,000	1,732,238
Lock.....	440,000	727,063
Canal.....	225,000	405,000

There is an outstanding claim in connection with the Langens block of \$79,000, and one against the Curran block of \$79,000.

Mr. Davies prefaced his remarks with startling figures and commented on the case of the Soulanges canal. The contract for sections 4, 5, 6 and 7 of the canal was entered into with Mr. Goodwin, of Ottawa, on May 9, 1895. The contract provided that the work should be completed by October 1st. The work was not completed and any effort apparently made by the contractor to perform his contract according to its terms. The contractor, besides calling for the cost of these sections of the canal, asked Mr. Goodwin to excavate the canal and to dispose of the material taken out in a manner prescribed by the contract. The contract provided that at any points where the level of the water to be placed in the canal was higher than the adjoining lands, there should be built water-tight embankments to prevent the water from overflowing and flooding adjacent property. For the portion of the excavated canal placed in the water-tight embankments the contractor was to be paid 15 cents a yard. The contract provided that the surplus or waste material taken from the body of the canal should be disposed of in the manner directed by the engineer in charge. Mr. Thomas, who occupies an eminent position in his profession, following the lines of the contract, directed the contractor to place the surplus material in the water-tight embankment adjacent to the canal. The height of the embankment, the manner in which it was to be united with the land at the top, and the manner in which it was to be taken off the sand and top soil, was to be a firm foundation. It was pointed out in the contract. Evidently, the contractor did not seem to be clearly and accurately defined. The contractor claimed that not only should he be paid 20 cents a yard for the excavation he had made for the canal, but that he should be paid 15 cents a yard for that portion of the excavated material which went to the water-tight embankment, but that he should be paid 15 cents a yard for the surplus or waste portion of the excavated material which was used in the water-tight embankment, but which was placed by the direction of the engineer at the back of the embankment.

Other words, he claimed as much as 15 cents a yard for the surplus or waste material which he had behind the embankments as the material with which he had to put into the embankments. The contractor did not seem to be clearly and accurately defined. The contractor claimed that not only should he be paid 20 cents a yard for the excavation he had made for the canal, but that he should be paid 15 cents a yard for that portion of the excavated material which went to the water-tight embankment, but that he should be paid 15 cents a yard for the surplus or waste portion of the excavated material which was used in the water-tight embankment, but which was placed by the direction of the engineer at the back of the embankment.

Similar provisions are in the contracts for the construction of the canal, so that the recognition of the claim would involve an expenditure of between \$500,000 and \$750,000, the chief engineer on the work. Mr. Davies pronounced the claim a preposterous one, and the three assistant engineers, Mr. Schrieber, of the railway, and Mr. Schrieber, of the canal, after considering the report of the engineers, reported that they do not doubt whatever.

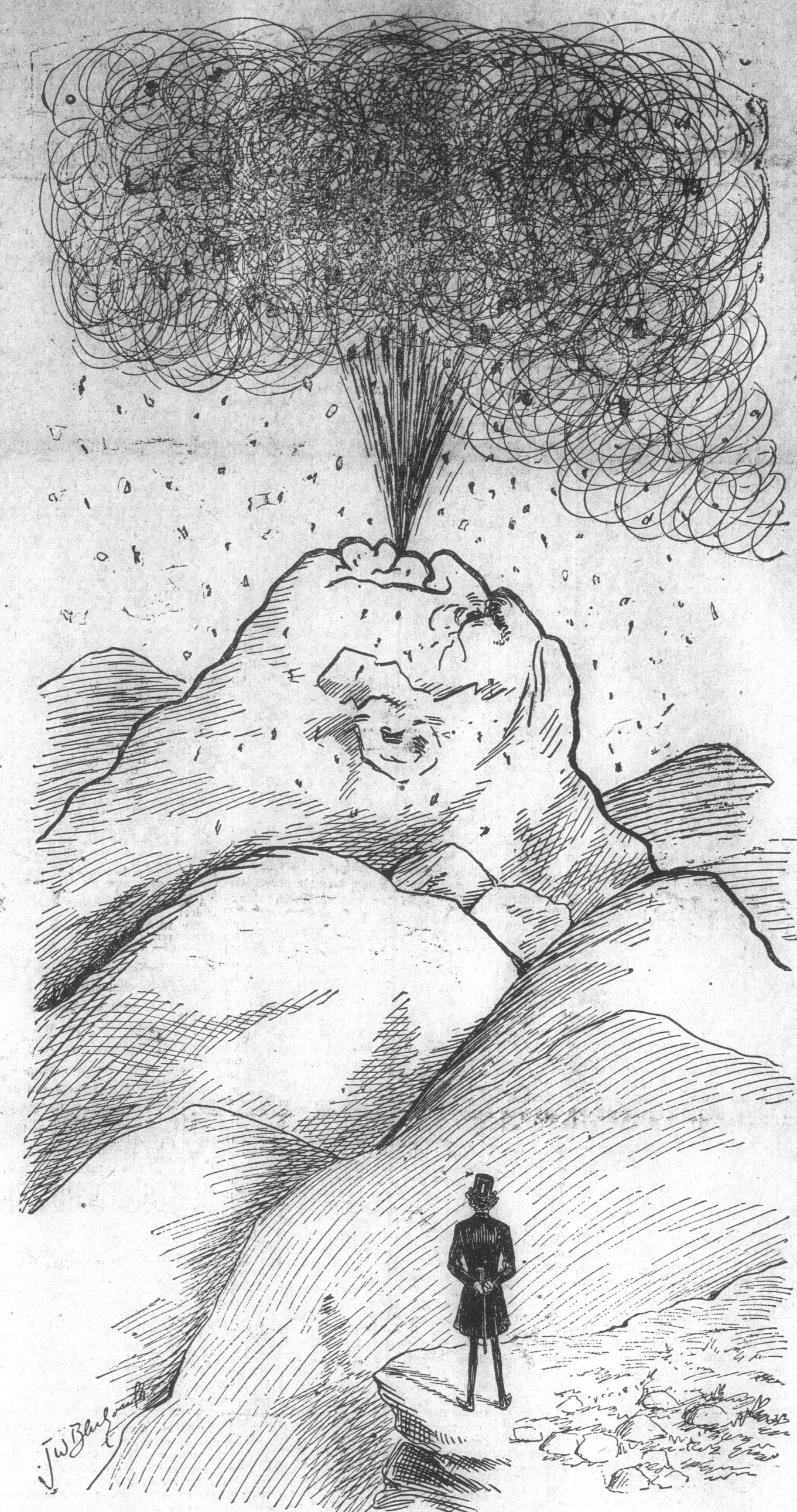
The instance of Mr. Goodwin's matter was referred to the department of justice in 1894 for an opinion. At that time the late Sir John Thompson was minister of justice. The department of justice reported that the claim had no foundation; but the contractor was not satisfied with that and he pressed for a reconsideration of his claim. At his request the department was examined and cross-examined. The result of the examination was referred to the department of justice, thus bringing the whole matter before that department for a final decision. Sir Hibbert Tupper asked the department of justice for a statement of facts on this point. The minister of justice, Mr. Davies, said that he knew whether the matter was the back of the embankments or the water-tight embankment. Two questions were given to him. The first was whether the contractor was given by a gentleman signing the active law clerk of the department. He reported that the contractor was given by Mr. Schrieber. He united his testimony with that of the clerk in saying that it was a fact that the contractor was given by a gentleman signing the active law clerk of the department. Mr. Davies said that he did not doubt whatever.

Mr. Haggart—Don't you know the chief engineer's approval is necessary to the payment of a claim? Mr. Davies—And I know that under the contract the chief engineer did give his opinion that the claim was a preposterous one. Mr. Haggart (angrily)—Do you mean to say I overruled the chief engineer? Mr. Davies—I do not know whether you personally did, but I know your department did. Mr. Munro's name has been signed subject to the conditions in his letter of February 26, which I say we must have. It would be an outrage to have Mr. Munro go on record as having certified himself a rogue. Continuing, after recess, Mr. Davies said that if Mr. Haggart wished to repudiate the statement that he had acted in the matter, he would be happy to hear him, but if not he would wish his rights in saying that Mr. Haggart had authorized his secretary to instruct the deputy minister of railways to act upon the letter from the deputy minister of justice. "I ask him, did he authorize it or did he not?" Mr. Haggart (with considerable hesitation)—I never saw it. It is a matter of form, but of course I am responsible for it. Mr. Davies—The minister tells us he did not authorize the letter. I have only to say that if a letter of that kind was written by the secretary without the authority of the minister that secretary would be discharged from the department and the service instantly. Here is a matter which will involve this country in an expenditure of perhaps \$750,000 and a mere secretary undertakes to authorize it. But I am inclined to think that when the hon. gentleman refreshes his memory he will come to the conclusion he did instruct his secretary to write to the deputy minister. Mr. Davies related the subsequent proceedings up to the time the auditor-general obtained Mr. Lash's opinion, which was adverse to the claims of Mr. Goodwin. "We should thank heaven we have an auditor-general," said Mr. Davies. "We have an auditor-general who has the courage of his convictions, who understands he is not a mere machine, who knows what his duties to the country are under the audit act, who is an officer held to strict account by this house, and I am pleased to see by the papers that he was prepared to assume, and did assume the full responsibility for his independent action in this matter. Under the contract the contractor was only to be paid on the recommendation of the chief engineer, and his letter of February 26th, when we get it, will show what his opinions were. When he signed the revised estimate he did so in obedience to pressure from officers above him. I leave to the minister of railways to explain this. Unless he does explain it he must stand personally responsible to the people of Canada for this attempt to rob the public treasury of a large sum. As far as the papers go they disclose a scheme for taking money out of the public treasury and transferring it to the pockets of the contractor, notwithstanding that the contract, specifications, and legal and professional opinions did not justify it. And I decline to accept the verbal opinion of Sir Hibbert Tupper, as said to have been given to the deputy minister of justice, which he did not sign, which is not reasoned and which is not sufficient to overturn the great mass of public opinion I have read to the house this afternoon and to-night. (Applause.)

Sir Hibbert Tupper made an attempt to obscure and divert the real point at issue. He said that Mr. Davies had wound up with a most serious insinuation, and had taken liberties with the papers and documents. There was no reason for having brought up this discussion, which would have made a better impression if left until the estimates were before the house. There was no hurry, as the money was not paid yet. (Mr. McMullen—Thanks to the auditor-general. This was not the final opinion nor the final action of the government, for, as the auditor-general had challenged the correctness of the conclusion which he (Sir Hibbert) reached, it would be the duty of the government under the statute, before doing anything further, to obtain an opinion from an actual minister of justice in office, which would go before the treasury board. Sir Hibbert considered Mr. Davies' argument in the light of a reflection on his own capability and integrity, and complained of what he called the most insolent remarks of opposition members. Dr. Davies—I spoke on the authority of the deputy minister of justice, who made the statement that you thought Goodwin's claim should be paid. Sir Hibbert Tupper—I am of that opinion now. The examination of justice went on to say that he had never given the opinion at any time that the material outside the water-tight bank should be paid for as part of the water-tight bank, and gave a rather disingenuous opinion as to what this bank consisted in. Mr. Davies was the first member in his experience who had heaped a minister of justice for having come to a conclusion upon a question of law as to the interpretation of a contract which did not agree with the opinion of an engineer. Mr. Edgar thought it was a most unconstitutional act for a private member of the house to go into a department which he had left, which was under the charge of an acting minister, and advise the deputy minister as to what opinion should be given to another department. It was glaringly improper, and it was not the opinion of a minister of justice on which the department of railways acted, but that of the member for Pictou. Having obtained Mr. Munro's letter of February 20th, addressed to Mr. Schrieber from Mr. Haggart, Mr. Edgar read it to the house. In the face of such a letter from the engineer in charge of the work Mr. Edgar asked how the minister of railways could have pressed the auditor-general for the payment of this amount.

SCOTT JACKSON'S TRIAL. Progress of One of Uncle Sam's Many Murder Cases. Newport, Ky., April 24.—The policy of the prosecution officers in the Scott Jackson trial is to present the case in the order of time as nearly as possible. The defence has by cross-examination indicated its line to be to create doubt as to where Pearl Bryan was killed, leaving an open question whether or not she was killed in Ohio and afterwards transferred to Kentucky and there beheaded. Of all the witnesses examined thus far, the testimony of Mrs. M. S. Bryan, the mother of Pearl, was the fullest of pathos. When asked how she was able to identify the headless girl sent to Green Castle as her own Pearl, she answered with thrilling effort: "It's difficult for a mother to be deceived about recognizing her own child." She identified the blood-stained garments, shoes and trinkets found on her murdered daughter. Another impressive witness was Mary Morgan, who first found Pearl's hat near her home back of Newport. The blood-stained handkerchief found in the hat by Mrs. Morgan, was put in evidence and was identified by this witness. It was also proven by J. H. Ulen that he sold Jackson seventeen crates of cocaine on January 29th. Jackson showed pallor, especially when the Bryan's were on the stand.

his position on January 7, 1896. Between that and January 15 different members of the government acted as minister of justice. Mr. Dickey became minister on the latter date. After Sir Hibbert Tupper had left that department, and after Mr. Dickey had been sworn in, the deputy minister, Mr. Newcombe, wrote to the department of railways and canals, saying that the ex-minister before going out had verbally told him that the claims had been allowed. Upon that verbal report second hand by the deputy minister, signed by the deputy and not by the minister, the department of railways and canals assented to the proposition that it should reverse the reiterated opinion of the chief engineer of the works, of the sub-engineers, of Mr. Schrieber, and the reasoned opinion of the late Sir John Thompson. Mr. Davies held that the department of railways and canals was not justified in accepting a short note from the deputy minister, saying that the ex-minister before he had gone out had verbally intimated to him that he entertained a certain opinion in regard to the matter. The least the government could have done was to get a reasoned opinion by the outgoing minister assented to by the responsible minister in charge of the justice department at that date. When the auditor-general was instructed by the department of railways and canals to pay over this \$120,000 he refused to do so, and submitted the papers to an independent lawyer, a former deputy minister of justice—Mr. Lash, Q. C., of Toronto. The department of railways and canals had made out fresh measurements, certified them, and sent them to the auditor-general, saying that these measurements should be certified and paid pursuant to the opinion of the minister of justice. No certificate had been given by the chief engineer in charge of the work. The auditor-general got a carefully reasoned opinion from Mr. Lash, which agreed with the opinion of Sir John Thompson, Mr. Schrieber, Mr. Munro, and with everybody else except the minister, who was reported as having expressed a contrary opinion. From the report of the engineer in charge it was seen that there was "scamping" or "skinning" in the work, but no notice seems to have been taken of that officer's discharge of his duty. Mr. Davies read several other reports from Mr. Munro and Mr. Schrieber. Notwithstanding these Mr. Goodwin, who had evidently learned the value of persistence from his previous dealings with the department, kept on asking for a settlement of his claim. Early last spring Mr. Schrieber wrote to him, pointing out that he had been doing the easy part of the work and leaving the costly work undone, at the same time warning him that the easy and most costly work must be carried on together or else the interests of the government would have to be protected. Mr. Haggart—You don't understand the subject. Mr. Davies—I have enough practical and technical knowledge to understand this evidence, which is so plain, you cannot go astray. Continuing, he read the correspondence between Sir Hibbert Tupper and the railway department. Then came the unfortunate letter written on January 15th last by the deputy minister of justice to the department, in which occurs this sentence: "Sir Charles Hibbert Tupper, while minister of justice, gave this matter his careful consideration, and also heard Mr. Goodwin, coming to the conclusion that the claim was one which should be allowed by your department, but he resigned his department before he could communicate this opinion to your department. He asked me to convey this to you." If the late minister of justice held this opinion, why had he not put it in writing and given his reasons for it? It was trifling with the taxpayers of this country and with this house if the former opinion came to by the department of justice, backed up by the opinion of so many engineers, could be set aside by this verbal opinion communicated by the deputy minister, assigned by the minister alleged to have given it, and without a single reason being advanced for it. Mr. Davies could not understand this mode of doing public business or the alacrity with which the department of railways acted upon it. In spite of all the reports of its own officials three days after the writing of this letter they were taking steps to let Mr. Goodwin have his money. The minister's secretary writes to the department acted upon. Mr. Schrieber sends the revised estimates to the auditor-general, signed by himself, with the remark that he was acting in accordance with Mr. Newcombe's letter of January 15th, and also by Thomas Munro, Q. C., who adds to his signature the words: "Signed by me, subject to the conditions expressed in my letter on February 26th." This letter, Mr. Davies pointed out, was not included in the papers brought down and he demanded that it should be submitted to the house before the debate closed. When it was brought down the house would see what conditions Mr. Munro attached to his signature. Mr. Haggart—Don't you know the chief engineer's approval is necessary to the payment of a claim? Mr. Davies—And I know that under the contract the chief engineer did give his opinion that the claim was a preposterous one. Mr. Haggart (angrily)—Do you mean to say I overruled the chief engineer? Mr. Davies—I do not know whether you personally did, but I know your department did. Mr. Munro's name has been signed subject to the conditions in his letter of February 26, which I say we must have. It would be an outrage to have Mr. Munro go on record as having certified himself a rogue. Continuing, after recess, Mr. Davies said that if Mr. Haggart wished to repudiate the statement that he had acted in the matter, he would be happy to hear him, but if not he would wish his rights in saying that Mr. Haggart had authorized his secretary to instruct the deputy minister of railways to act upon the letter from the deputy minister of justice. "I ask him, did he authorize it or did he not?" 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PARLIAMENTARY SCENERY.

"To-day we have him vomiting torrents of abuse like a volcano, but like an extinct volcano, impotent to launch fire, but still potent to emit mud and smoke."—Laurier's speech, April 8.

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