Both Sir Hector and Mr. McGreevy appear to have known personally the different members of the firm of Larkin, Connolly & Company.

As between themselves the partners appear to have had every confidence in each other during the years they carried on operations together, and, although it is now denied by some members of the firm, the letters put in evidence disclose that Murphy was a trusted confidant of the other members of the firm, and selected by them to carry out with Robert McGreevy many questionable and improper negotiations with the Honourable Thomas McGreevy, and through him with the Department of Public Works.

The operations of this firm of Larkin, Connolly & Company appear by the report of the skilled Accountants, to whom we referred their books, to have been on a scale truly colossal.

Between the years 1878, and 1891, inclusive, they received from the Harbour Commissioners at Quebec and the Department of Public Works at Ottawa $3,138,-234.58; of this only $83,796.36 have been paid during the past two years, viz:— $73,602.77 in 1890 and $10,183.59 in 1891.

Out of this $3,138,234.58 there was paid for—

The Graving Dock and supplementary work at Lévis	$ 718,372 94
Wet and Tidal Docks and improvements Quebec	1,833,415 94
Esquimalt Dock, British Columbia, including $4,-354.75 for a dredge and $249.54 for rails	586,445 70
	$3,138,234 58

Out of this sum these contractors made as trading profits nearly one million dollars, the exact figures being $953,975.53, showing that the cost of the works they constructed to them was $2,184,259. Out of this $953,975.53 they divided as profits amongst themselves $735,061.72, paid to themselves, as salaries, $48,466.67, and expended in bribery and "donations," $170,447.14. The particulars respecting the disbursment of this $170,447.14 we will refer to more particularly hereafter.

Of the $735,061.72 divided among themselves as profits—

P. Larkin received	$106,661 13
N. K. Connolly received	148,172 69
M. Connolly do	125,422 69
O. E. Murphy do	167,004 79
R. H. McGreevy do	187,800 42
	$735,061 72

Robert H. McGreevy, who received as profits the above sums of $187,800.42, contributed no capital to the firm, and so far from giving any portion of his time or talents in legitmately assisting the firm to carry out its undertakings, frankly admitted that he rarely if ever appeared near the works, but that or the contrary he and his partners did all they could to conceal from the public the fact of his being interested, and that the sole consideration for the profits he received was the influence he used with his brother to obtain contracts in the first instance for the firm from the Department of Public Works and the Harbour Commissioners, and secondly modifications and alterations of these contracts in the interest of the firm.

The books of the firm appear by the Accountant's report to have been carefully adjusted on the 31st of May, 1889, and the profits struck and divided amongst th four remaining partners. Larkin having retired on the 31st March, 1888. On th former date, 31st May, 1889, Murphy and McGreevy sold out their interest to th two Connolly brothers, receiving $70,000 therefor.