

tender. As to the rates, Mr. Perley says: "I cannot send the rates supplied by myself, as I have never determined them." Again, it must be considered that Mr. Perley was writing to a member of the House of Commons who was disqualified from tendering and whom he knew to be interested, as Harbour Commissioner, in a similar work at Quebec. Mr. McGreevy was also interested as a director of the Union Bank in getting information on which his bank could act in making advances to their customers, Messrs. Larkin, Connolly & Co., in carrying on the works, and it is suggested that any bank asked to advance to a contractor for a large public work might well obtain information from the Chief Engineer, which, in a general way, would guide them in considering the amount of advances prudent to make. Mr. Perley states in his evidence (bottom of page 161) that he had been in the habit of giving such information. "I have always done so and will continue to do so."

The only other evidence on this point is to be found in the statement by the witness Baskerville that he was approached by the witness Heney with an offer to procure Baskerville the contract on payment of \$10,000, but upon this point no argument can be seriously urged by the prosecution and no further reference need be made to it, and Thomas McGreevy has not been connected in any way with the offer.

As to the second head, the improper agency of Thomas McGreevy in procuring alterations, &c.

The agency of Thomas McGreevy is made out by the evidence of Robert McGreevy, if accepted. He states positively that Thomas McGreevy was to have a share of his profits, not only so, but that he accounted to him for half the profits received both in the contracts at Quebec and that now in review.

But, presuming partnership or agency of Thomas McGreevy, there is nothing to show that the Department knew of it, or that undue influence was used by him in procuring the alterations in question. The exhibits supporting the contention of the prosecution are: "G2," page 22; "H2," page 23; "I2," "J2" and "K2," page 24; and "R2," page 28. In connection with these exhibits, which are all letters written by Thomas McGreevy, *see* Perley's Evidence, at pages 150, 151-156 and 158.

The attempted discharge of Bennett is given in evidence, not in support of any charge made against the Department, but simply as cogent evidence as to the agency of Thomas McGreevy, as is also the transaction connected with the suggested change to granite, which, though recommended by the Chief Engineer and approved by the Minister, was not carried out as is suggested by the prosecution, by reason of the subsequent request of Thomas McGreevy made to the Department, though it must be borne in mind that this is denied by Thomas McGreevy. The Minister of Public Works explains very clearly how this proposed change was dealt with (page 1066).

In this connection it would be well to consider the changes made and the result shown in detail by the second report of the Engineers printed in the Appendix. Four changes were made. The alteration in the drip of the dock floor, and the difference in cost of the caisson chamber may be passed as insignificant, and as proper changes to be allowed by the Engineer. The change involved by the adoption of a circular head, admittedly, was most beneficial, giving an increase in the length of the dock of fifty feet at a total increased cost of \$17,025, the work being paid for at the contract schedule rates (*see* plan in the Appendix showing the change). The only other change was that to large courses in the stone-work, and this was undoubtedly beneficial (*see* coloured cross-section plan in the Engineers' appendix). There could have been no undue influence in procuring this change, for it was allowed only on the distinct understanding that it should not cost the Department any more than the work as originally designed. *See* Exhibits "Q5," page 126; "R5," "S5," page 127; "T5," page 128; "X5," "Y5," and "Z5," page 129.

The serious question to be considered arises from the fact that after the work was executed on this distinct understanding, a sum of \$32,879 was allowed for it by the Department.

The Department, or Mr. Perley, seems to have thought that the country had got a very considerable benefit from the change, and that it was only fair and reasonable that the contractors should be paid for the extra stone put in at the price for stone, namely, \$27 a cubic yard, instead of the price for concrete, \$8.50.