

There was a middleman.

But there had to be a middleman, so Mr. Shaver got his middleman. He got him through W. F. Garland of Ottawa, Conservative member for Carleton County and chief owner of the Carleton Drug Company of Ottawa. And the middleman was E. E. Powell, a young apprentice druggist working for \$15 a week in the store of the Carleton Drug Company, of which W. F. Garland, Conservative member of Parliament, was and is the chief owner.

Agent for Government only.

Powell was appointed agent of Bauer & Black—to do business **only with the Canadian Government**. Both Shaver and Powell swore to that.

Powell got orders totalling over \$41,000 and on these orders he added a profit **over and above the prices Bauer & Black would have charged the Government** of nearly 30 per cent.

Powell added over \$9,000, which the Government paid—**because there had to be a middleman**.

Powell did nothing to earn the money. Powell swore, and Shaver swore that the goods were shipped direct to the Militia Department from Chicago. Powell never saw them—never handled them—did nothing but write a few letters and make out a few invoices. But the Government paid Powell, Garland's clerk, over \$9,000 more than it would have paid Bauer & Black.

The excess would have been more than \$9,000, but for Mr. H. W. Brown, director of contracts. Powell charged 23 cents each for field dressings. Brown protested the price and Powell reduced it to 21 cents. Brown still protested and Mr. Garland, Conservative M.P. **stepped in and said the price was fair**, giving his word as a druggist that the profit was only 5 per cent. Mr. Brown investigated a little further and found it was not 5% but 5 cents per dressing, **a profit of over 30%**.

In the face of the disclosure before the Committee Powell turned back to the Government some \$6,300, all that was in the bank in his name. The Government had in the meantime retained \$2,600 of his profits.

On March 25th at a subsequent meeting of the Public Accounts Committee the following resolution was passed,—

"The Committee begs to report to the House the evidence adduced in respect to the contract for supplies purchased from Mr. E. Powell and to express its opinion that the contracts for such supplies do not appear to have fully protected the public interests; and the Committee therefore recommend that the evidence adduced and all papers connected with the matter should be referred by the House to the Department of Justice for any further necessary investigation and for the recovery of any moneys overpaid and the taking of such further action as may be warranted by the facts."