

Technical and Bibliographic Notes / Notes techniques et bibliographiques

The Institute has attempted to obtain the best original copy available for filming. Features of this copy which may be bibliographically unique, which may alter any of the images in the reproduction, or which may significantly change the usual method of filming are checked below.

- Coloured covers /
Couverture de couleur
- Covers damaged /
Couverture endommagée
- Covers restored and/or laminated /
Couverture restaurée et/ou pelliculée
- Cover title missing /
Le titre de couverture manque
- Coloured maps /
Cartes géographiques en couleur
- Coloured ink (i.e. other than blue or black) /
Encre de couleur (i.e. autre que bleue ou noire)
- Coloured plates and/or illustrations /
Planches et/ou illustrations en couleur
- Bound with other material /
Relié avec d'autres documents
- Only edition available /
Seule édition disponible
- Tight binding may cause shadows or distortion
along interior margin / La reliure serrée peut
causer de l'ombre ou de la distorsion le long de la
marge intérieure.
- Blank leaves added during restorations may
appear within the text. Whenever possible, these
have been omitted from filming / Il se peut que
certaines pages blanches ajoutées lors d'une
restauration apparaissent dans le texte, mais,
lorsque cela était possible, ces pages n'ont pas
été filmées.
- Additional comments /
Commentaires supplémentaires:

L'Institut a microfilmé le meilleur exemplaire qu'il lui a été possible de se procurer. Les détails de cet exemplaire qui sont peut-être uniques du point de vue bibliographique, qui peuvent modifier une image reproduite, ou qui peuvent exiger une modification dans la méthode normale de filmage sont indiqués ci-dessous.

- Coloured pages / Pages de couleur
- Pages damaged / Pages endommagées
- Pages restored and/or laminated /
Pages restaurées et/ou pelliculées
- Pages discoloured, stained or foxed/
Pages décolorées, tachetées ou piquées
- Pages detached / pages détachées
- Showthrough / Transarence
- Quality of print varies /
Qualité inégale de l'impression
- Includes supplementary materials
Comprend du matériel supplémentaire
- Pages wholly or partially obscured by errata slips,
tissues, etc., have been refilmed to ensure the
best possible image / Les pages totalement ou
partiellement obscurcies par un feuillet d'errata,
une pelure, etc., ont été filmées à nouveau de
façon à obtenir la meilleure image possible.
- Opposing pages with varying colouration or
discolourations are filmed twice to ensure the best
possible image / Les pages s'opposant ayant des
colorations variables ou des décolorations sont
filmées deux fois afin d'obtenir la meilleure image
possible.

Various pagings.

In Appendix No. 2, Third report, page 7 is incorrectly numbered page 2.

V 1091
11

APPENDIX
TO THE
ELEVENTH VOLUME
OF THE
JOURNALS
OF THE
HOUSE OF COMMONS
DOMINION OF CANADA.

FROM THE 8TH FEBRUARY TO THE 28TH APRIL, 1877,
BOTH DAYS INCLUSIVE.

BEING THE 4th SESSION OF THE 3rd PARLIAMENT OF CANADA.

SESSION 1877.



APPENDIX.

LIST OF APPENDICES.

- No. 1. **PRINTING.**—Third Report of the Joint Committee of both Houses on the Printing of Parliament.
- No. 2. **PUBLIC ACCOUNTS.**—First, Second, Third and Fourth Reports of the Select Standing Committee on Public Accounts.
- No. 3. **ADMINISTRATION OF JUSTICE.**—Report of the Select Committee on the Administration of Justice in the District of Richelieu, in the Province of Quebec.
- No. 4. **COAL AND INTER-PROVINCIAL TRADE.**—Report of the Select Committee to whom was referred the Petition of Henry Mitchell and others, to enquire into the allegations as to the state of the coal trade, and into the best means of promoting inter-provincial trade.
- No. 5. **NORTHERN AND NORTHERN EXTENSION RAILWAYS.**—Report of the Select Committee appointed to enquire into the affairs of the Northern and Northern Extension Railways.
- No. 6. **IMMIGRATION AND COLONIZATION.**—Report of the Select Standing Committee on Immigration and Colonization.
- No. 7. **CIVIL SERVICE.**—Report of the Select Committee appointed to enquire into the present condition of the Civil Service.
- No. 8. **PRIVILEGES AND ELECTIONS.**—First Report of the Select Standing Committee on Privileges and Elections.

REPORT.

The Joint Committee of both Houses on the Printing of Parliament beg leave to submit as their Third Report :

The Report of the Sub-Committee appointed to audit the Printing Accounts, together with the Report of the Clerk of the Committee on the Printing Services of the past year, and "The Printing Account Balance Sheet," all hereto annexed; all of which they respectfully recommend to the consideration of both Houses.

All which is respectfully submitted.

J. SIMPSON, *Chairman.*

COMMITTEE ROOM, 28th February, 1877.

REPORT OF THE SUB-COMMITTEE.

The Sub-Committee of the Joint Committee of both Houses on the Printing of Parliament, to whom was referred the Printing Accounts, together with the Balance Sheet and the Clerk's Report on the services of the past year, beg leave to report as follows:—

That they have carefully examined the Balance Sheet, and found the sums for which the Printing Services of Parliament are debited to agree with the certificate of the Auditor of warrants issued, etc. For the sums expended, accounts and vouchers in detail were furnished and examined by your Committee and found correct. The Printing Accounts were further verified by files of the work performed, with their cost, in detail, in each, a sufficient number of which your Committee examined to satisfy themselves of their correctness. They have therefore signed the Balance Sheet, certifying that the Balance Sheet and Accounts have been examined by them and found correct.

A communication from the Distributor was submitted to your Committee, stating that from the increase of the labour in the Department, an extra Sessional Messenger was necessary; the Sub-Committee having enquired into the necessity, respectfully recommend that the application be granted, and that Wm. Cairns, now doing duty temporarily, be retained sessionally.

All which is respectfully submitted.

J. SIMPSON, *Chairman.*

COMMITTEE ROOM, 27th February, 1877.

REPORT OF THE CLERK.

To the Chairman and Members of the Joint Committee on Printing:

GENTLEMEN,—

Herewith I beg to submit the Annual Balance Sheet for 1875-6, which shows the cost of the Printing Services of Parliament for that year to have been \$58,872.59.

The Accounts in detail, together with the Vouchers, and file of the work performed are ready for submission to the Audit Committee.

The several services have been satisfactorily performed during the recess, and the Contractors have evinced every desire to meet the requirements of Parliament, and, I think, very successfully.

The total cost of the Official Publication of the Debates of the House of Commons for the Session of 1876 was \$11,280.15.

I prepared an estimate of \$70,000 for the Printing Services of Parliament for the year 1876-7, being the amount voted last year, and transmitted the same to the Minister of Finance to be laid before Parliament with the other Estimates for the year; subject, however, to the approval of the Committee.

All which is respectfully submitted.

HENRY HARTNEY.

Clerk, Department Printing of Parliament.

COMMITTEE ROOM, February, 1877.

Total cost, as above.....	\$69,118 09
REFUNDS:—	
Departmental Reports.....	\$8,733 12
Private Bills.....	508 38
	<hr/>
	\$6,228 50
Total cost, Parliamentary Printing.....	\$59,879 59
Numerically calculated, the cost for each House would stand thus:—	
The Senate.....	\$16,186 86
The House of Commons.....	44,692 73
	<hr/>
	\$69,879 59

To Balance of Paper on hand:—	
289 Reams of Royal, at \$2.95.....	\$ 841 45
919 do Foolscap, at \$1.15.....	1,066 85
	<hr/>
	\$1,938 30
	<hr/>

COMMITTEE ROOM, July, 1876.

Examined and found correct,

JOHN SIMPSON,	} Sub-Committee.
GEO. W. ROSS,	
J. C. AIKINS,	
ALPH. DESJARDINS,	
J. O. BUREAU,	

HENRY HARTNEY, Clerk,
Department, Printing of Parliament.

REPORT.

The Select Standing Committee on Public Accounts beg leave to present as their

FIRST REPORT :

The papers relating to the superannuation of Wm. Warren, Esq., late Collector of Customs at Whitby, Ontario.

All which is respectfully submitted.

(Signed) JAMES YOUNG,
Chairman.

COMMITTEE ROOM, 9th March, 1877.

To the Honourable the Minister of Customs for the Dominion of Canada, Ottawa :—

HONORABLE AND DEAR SIR,—The memorial of the undersigned merchants and others, of the Town of Whitby, in the County of Ontario and Province of Ontario, humbly sheweth,

That your memorialists are informed that Mr. William Warren, of this place, Custom House Officer at Port Whitby, is about to resign his position, which he has so long and so worthily held;

That we believe George A. Carson, M.D., of this place, to be in every respect well qualified to fill said position, and that he would perform the duties of his office with ability and integrity, and that his appointment would be most favourably received by the business men of this town and neighbourhood, and the public at large;

Your memorialists therefore pray that the said George A. Carson may, in the event of Mr. Warren's resignation, be appointed to fill the position of Custom House Officer at Port Whitby.

And your memorialists, as in duty bound, will ever pray.

J. Hamer Greenwood, Mayor of Whitby,	G. Young Smith,
Canada Clock Company,	J. K. Gordon,
The Mudge and Yarwood Manufacturing Company, Fred Mudge, Manager,	H. Fraser,
Charles Scott, Sen.,	
King Bros., Tanners and Leather Dealers,	Andrew Orvis, Pickering,
A. M. Brown, President of the Brown and Patterson Manufacturing Company,	Jno. C. Farewell, County Crown Attorney,
Calimer Campbell, J. P.,	D. Ormiston,
Jno. Donovan, Reeve, Town of Whitby, and Carriage Manufacturer,	H. B. Taylor, Agent Dominion Bank,
Ron. Johnston,	
Hatch & Bro., Importers of Hardware,	D. B. Modder, Wesleyan Minister,
J. P. White, Reeve of Pickering,	C. VanDusen, Wesleyan Minister,
Laing & Stewart, Importers of Dry Goods,	Alex. Ogston,
R. H. Jamieson, Importer of Groceries,	James Byrne, Chemist and Druggist,
Lowes & Powell, Merchants,	J. G. McDougal, Confectioner,
James H. Gerrie & Co., Druggists,	James J. Murphy, Merchant,
John Bryan, Importer of Stoves,	S. M. Thomas, J. P.,
Yeoman Gibson, Produce Dealer,	James Dryden,
Gross & MacNachtan, Hardware Merchants,	W. H. Higgins, <i>Whitby Chronicle.</i>

Petition to the Honourable the Minister of Customs, Ottawa.

We, the undersigned petitioners, respectfully represent,

That a petition has been circulated in the Town of Whitby, for the purpose of appointing another Collector of Customs in the place of William Warren, Esquire, the present Collector, and representing that Mr. Warren is to be superannuated at his own request. That Mr. Warren states he has no wish to retire from his office, and some of us, under the representation that he was so desirous, have signed a petition for the appointment of another party.

We believe Mr. Warren to be quite as able now as he ever has been to perform the duties required.

We would humbly ask you to retain him in his office, as he has always given the greatest satisfaction to the people of this country, and, we believe, in your Department.

And your petitioners, as in duty bound, will ever pray.

Dated at Whitby, the 17th November, 1874.

R. & J. Campbell, Merchants and Importers,	James H. Gerrie & Co., Druggists,
Hamilton & Co., " "	Geo. Yule, Express and Telegraph Agent,
Jas. Byrne, " "	Chester Draper, Produce Merchant,
Geo. C. Gross, Hardware Importer,	W. H. Billings,
Lewis Allyn, Dealer in Jewellery, etc.,	William Till, Furniture Manufacturer,
Lewis & Powell, Merchants and Importers,	J. H. Perry, County Registrar,
H. B. Taylor, Agent Dominion Bank,	G. Young Smith, Barrister,
W. J. Hickie & Co., Merchants,	Z. Burnham, Judge, etc.
A. H. Jamieson,	

CUSTOM HOUSE, WHITBY, 18th November, 1874.

Sir,—I have the honour to state that certain persons in this place either have or are about to send a petition to the Honourable the Minister of Customs to have me superannuated, that my place may be filled by one of their own friends. Now, although I am seventy-four years of age, and over thirty-one years Collector at this port, I am as well able to perform the duties of my office as I ever have been; indeed there are very few men of my age as strong and active, as Mr. Inspector Kavanagh or Acting-Inspector Lewis can inform you. I hope, therefore, you will prevent my being superannuated for a year or two longer.

I have the honour to be, Sir,
Your obedient servant,

(Signed) WM. WARREN,
Collector.

The Commissioner of Customs.

Copy of Report made by John Lewis, Esq., Surveyor of Customs, Montreal, after an Official Visit in August, 1874.

"Wm. Warren, Collector, is no doubt a reliable officer, as far as able, but too old for the duties required of him."

Report forwarded from Montreal, under date 15th January, 1875.

REPORT.

The Select Standing Committee on Public Accounts beg leave to make their

SECOND REPORT:

That it appears, from the vouchers now before them, large sums of money have from time to time, been paid to T. W. Anglin, a Member of the House of Commons, for printing and stationery while a Member of that House.

Your Committee beg leave to report copies of said vouchers and papers to your Honourable House.

The whole, nevertheless, humbly submitted.

(Signed)

JAMES YOUNG,

Chairman.

COMMITTEE ROOM, 15th March, 1877.

[In accordance with the recommendation of the Joint Committee on Printing, the accompanying vouchers and papers are not printed.]

THIRD REPORT

OF THE

SELECT STANDING COMMITTEE

ON

PUBLIC ACCOUNTS,

RELATING TO THE EXPENDITURE OF

CERTAIN SECRET SERVICE FUNDS.

Printed by Order of Parliament.



OTTAWA:
PRINTED BY MACLEAN ROGER & Co., WELLINGTON STREET.

1877.

REPORT.

THE SELECT STANDING COMMITTEE on Public Accounts, to whom was referred the following items of expenditure of Secret Service Funds, viz.: The item of \$15,086.41, for the year 1868; the item of \$33,103.88, for the year 1869; the item of \$10,208.54, for the year 1870; and the item of \$75,000, for the year 1871, have had the same under consideration; and upon the order of reference and matters connected therewith, including the refund of \$25,579.04 to the Receiver-General on 12th November, 1875, and the withdrawal of \$6,600 from the same fund upon the same day, the Committee beg to present as their

THIRD REPORT:

That they have examined several witnesses, a copy of whose evidence together with the motions, proceedings and votes of the Committee in this reference, is appended, and upon the facts established before the Committee they beg leave to submit the following:—

In the session of 1867-68 Parliament appropriated for Secret and Detective Service for the fiscal year, 1867-68, the sum of \$50,000.

On the 5th June, 1868, within four weeks of the close of the fiscal year, an order was made in Council directing \$50,000 of the vote for Secret and Detective Service for 1868 to be placed on special account with the Bank of Montreal, in the names of the Minister of Justice, the Minister of Militia, the Minister of Finance, and the Minister of Inland Revenue, whose certificate that the money or any part thereof had been disbursed for the service of the country should be a sufficient discharge and voucher for the payment of the same. On the 6th of June this sum was deposited accordingly.

Between the 10th and the 29th of June there was drawn, as appears by the Bank account produced by the Agent of the Bank, \$21,991.41, leaving a balance unexpended at the close of the fiscal year of \$28,008.59. By the Public Accounts the sum of \$15,081.41 only is entered as expended during the fiscal year. This entry was made by the Auditor General under verbal instructions from some Minister, but whom he does not remember. No certificate of any Minister for the disbursement of this or any other sum expended for this service has ever been given.

In the session of 1869 the sum of \$75,000 was voted for this service for the fiscal year 1868-69, but this vote was written off.

During the fiscal year 1868-69 the sum of \$24,128.88 was, as appears by the Bank account, drawn from the special account already referred to, leaving a balance at the close of the year of \$3,879.71. By the Public Accounts the sum of \$33,103.88 is entered as expended during this fiscal year. This entry was made by the Auditor-General on authority similar to that of the preceding year.

The balance unexpended by the Public Accounts thus appears to have been \$1,809.71.

During the fiscal year 1869-70, the Auditor, on the 18th October, 1869, certified:

“That a transfer entry warrant may issue charging special deposit Secret Service, and crediting services of 1868 with \$8,398.83, being the balance unexpended in the year 1866-67.”

The history of this sum is as follows:—Prior to Confederation the Legislature of the late Province of Canada had appropriated a sum for Secret Service, out of which by an Order in Council, dated August 6th, 1866, \$50,000 was ordered to be placed in a special account with the Bank of Montreal, in the names of the Attornies General for Upper and Lower Canada, the Minister of Finance, and the Provincial Secretary; and was so placed on the following day, August 7th. On the 30th June, 1867, there remained unexpended of this amount the sum of \$8,398.83. ●

This sum was a banker's balance within the meaning of the 107th clause of the British North America Act, 1867, which provides that:—

“All stocks, cash, banker's balances, and securities for money belonging to each Province at the time of the Union, except as in this Act mentioned, shall be the property of Canada, and shall be taken in reduction of the amount of the respective debts of the Provinces at the Union.”

Certain moneys paid by the Dominion immediately after the Union for certain services of the late Province of Canada were charged against the late Province in the Public Accounts of 1867-68, and in reduction thereof credit was given to the late Province for this balance as so much cash, thus closing this item of the accounts between the late Province and the Dominion. The balance which was thus the property of Canada remained untouched from 27th July, 1867, until 18th October, 1869, when under the authority of a transfer warrant issued by virtue of the Auditor's certificate above quoted; and without any Order in Council, it was transferred in the Public Accounts to the Secret Service account, and being added to the balance \$1,809.71 of the vote of \$50,000 for 1867-68, makes the sum of \$10,208.54, appearing in the Public Accounts for the year 1868-69, as an asset.

The Auditor states that this transfer was made because the fund was getting low.

By this transaction the sum in question was, in fact, diverted from the general funds of Canada and appropriated to Secret Service without authority from or indemnity by Parliament.

By the Bank account the expenditure during the fiscal year 1869-70 was \$13,960. In the Public Accounts the sum of \$10,208.54 is entered as expended for this year. This entry was made by the Auditor under similar circumstances to the preceding entries of similar expenditures.

During the session of 1870 the sum of \$75,000 was appropriated for this service for the fiscal year 1870-71.

On the 1st July, 1870, an Order in Council was made directing that \$30,000 be appropriated of the vote for 1870-71, and that a warrant should issue in favor of the Manager of the Bank of Montreal, with directions “to place it in special account with the Bank of Montreal in the names of the Minister of Justice, the Minister of Militia, the Minister of Finance, and the Minister of Inland Revenue, whose certificate that the same or any part thereof has been disbursed for the service of the country shall be a sufficient discharge and voucher for the payment of the same,” and on the 6th July this sum was passed to the credit of the old special account of the late Province which had been opened on August 7th, 1866, and was thus added to the balance already referred to as standing to the credit of that account. The Bank account shows that from this account was drawn \$32,299.20 between 1st July and 6th December, 1870, at which date an Order in Council in terms similar to the one of July 1st, authorized the deposit of \$10,000 more. Between that date and February 11th, 1871, there was drawn \$749.30, and on February 11th there was deposited to the credit of the account the sum of \$15,584, which had been previously drawn by the then Minister of Finance for the payment of certain claims in connection with the difficulties in the Red River Settlement.

This deposit is stated to have been made out of funds provided under Orders in Council of 14th February and 10th July, 1871.

Between the 11th February and the close of the fiscal year 1870-71, there was drawn \$5,030, making the total drawn during that year for Secret Service, (and exclusive of the sum of \$15,584 drawn and re-deposited as already mentioned), \$22,494.50.

The balance appearing by the Bank account at the credit of this account on 30th June, 1871, is \$15,754.04.

On the 26th June, 1871, Sir John A. Macdonald, Minister of Justice, reported to Council "That it appears from the certificate of the Auditor that there remains unexpended of the vote for Secret Service the sum of thirty-five thousand dollars.

"As there was no vote taken for Secret Service last session, and inasmuch as there is sufficient evidence to show that the public interests may require that the unexpended balance should be used, the undersigned recommends that the same be carried to the credit of the Sub-Committee of Council on Secret Service matters."

And on the following day an Order in Council was made, carrying out this recommendation. In pursuance of this Order the sum of \$35,000 was, on the 3rd July, 1871, carried to the credit of the account.

By this course the whole of the vote of \$75,000 was taken, although there remained unexpended at the close of the fiscal year 1870-71 the two sums of \$15,754.04, and \$35,000, making in all \$50,754.04. In the Public Accounts for this fiscal year the whole sum of \$75,000 is entered as actually expended. This entry was made by the Auditor under verbal instructions. The Public Accounts contain no indication that any alteration was being made in the system of entry or accounting.

Sir John A. Macdonald states that he recommended the issue of \$35,000 on June 26th, 1871, partly because there were old claims, the payment of which might require a considerable sum, and partly because the public exigencies might require further expenditure.

The Bank account shows that between the 30th June, 1871, and 29th May, 1872, there was drawn \$3,575, which includes the sum of \$1,000 paid on the 27th December, 1872, to Archbishop Taché for Louis Riel, and referred to in the report of the Select Committee on the North-West Troubles.

On the 29th May, 1872, the Select Standing Committee on Public Accounts reported to the House as follows:—

"That inasmuch as such large sums as \$75,000 have been voted for Secret Service money, of which there is no audit as in the case of other expenditure, this Committee is of opinion that an account of all sums hereafter spent for Secret Service should be kept as in England, in a book specially prepared for the purpose, and that this book should annually be inspected by a confidential Committee, of whom two shall be members of the Opposition of the day."

No further sum was drawn during the fiscal year 1871-72, and the balance at the close of that year remained at \$47,179.40.

On November 11th, 1872, \$10,000 was transferred to the credit of Sir John A. Macdonald in the Bank of Montreal, Toronto, from which Bank it was drawn as follows: November 13, \$2,000; November 15, \$3,000; November 15, \$3,000; November 19, \$2,000.

On the 5th March, 1873, being the day of the opening of Parliament, Mr. Drummond, at the request of Sir John A. Macdonald, sent him all the cheques and other vouchers in connection with the various Secret Service accounts to that date, and Sir John A. Macdonald is unable to say where these papers are or what has become of them.

On the 27th June, 1873, the further sum of \$5,000 was drawn, making a total during the fiscal year 1872-73, and subsequent to the above quoted resolution of the Committee on Public Accounts, of \$15,000, and leaving a balance at the close of that year of \$32,179.04.

In August, 1873, Mr. Drummond, at Sir John A. Macdonald's request, sent him the cheques and other vouchers in connection with the payments subsequent to March 5th, and Sir John A. Macdonald is unable to say where these papers are or what has become of them.

To summarize for convenience, the expenditures and unexpended balance of each fiscal year, as appears by the Bank account, exclusive of the amount of \$15,584 re-deposited February 11th, 1871, and not crediting the unexpended balance of

\$8,398.83, until it was transferred October 18th, 1869, they are shown to be as follows:—

Expenditure for year 1867-68.....	\$21,991 41
Balance at close of the year.....	28,008 59
Expenditure for year 1868-69.....	24,128 88
Balance at close of the year.....	3,879 71
Expenditure for year 1869-70.....	13,960 00
Expenditure for the year 1870-71.....	22,494 50
Balance at close of the year.....	15,754 04

Exclusive of \$35,000 not deposited till July 3rd.

Expenditure for year 1871-72.....	3,575 00
Balance at close of the year.....	47,179 04
Expenditure for year 1872-73.....	15,000 00
Balance at close of the year.....	32,179 04

On the 7th of November, 1873, the Ministry of Sir John A. Macdonald resigned.

No intimation was given by the out-going to the in coming Ministers of the existence of the balance of \$32,179.04, nor was any proposal then made to clear the account.

Just before the time of his resignation, Sir John A. Macdonald intimated to Mr. Langton, the Auditor-General, that there was a balance which was subject to some outstanding claims; but that fact was not communicated by Mr. Langton to the new Ministers.

More than once between the resignation and November, 1875, Sir John A. Macdonald intimated to Mr. Drummond, Manager of the Bank of Montreal, his desire to withdraw from the special deposit a sum in respect of some alleged outstanding claims, but Mr. Drummond stated that he considered the authority of the Government would be requisite for such a transaction, on which Sir John intimated that he would communicate with Mr. Langton on the subject.

Matters so remained till November, 1875, when Sir John A. Macdonald visited Ottawa, and saw Mr. Langton upon the business. There upon Mr. Langton had a conversation with Mr. Drummond, who subsequently wrote Mr. Langton the following letter:—

“ BANK OF MONTREAL,
“ OTTAWA, 3rd November, 1875.

“ MY DEAR SIR,—The balance of credit of the special of Sir John A. Macdonald in this branch is \$32,179.04.

“ In view of this being closed under the arrangements you may have agreed on with Sir John, please send me such official instructions as to its disposal as may be requisite to authorize me to carry out the same.”

On November 4th, Mr. Drummond received the following reply:—

“ November 4th, 1875.

“ MY DEAR SIR,—I had an interview with Sir John Macdonald before I left Ottawa, in which he explained to me that the balance of Secret Service standing in his name was \$32,179.04. Of this \$6,600 is pledged for certain expenses incurred before the resignation of the late Ministry, and he wishes the balance to be deposited.

“ Be good enough, therefore, to deposit the \$25,579.04 to the credit of the Receiver-General, and send me a duplicate and triplicate of the deposit.

“ (Signed) JOHN LANGTON.”

On the 12th November, 1875, Sir John A. Macdonald drew a cheque on the account in question in his own favour for \$6,600, and another cheque in favour of the Receiver-General for the balance of \$25,579.04. The latter was deposited to the credit of the Receiver-General; the former was transferred to Sir John A. Macdonald's private account at Toronto.

On 12th November, Mr. Drummond wrote the following letter to Mr. Langton:

“ BANK OF MONTREAL,
“ OTTAWA, 12th November, 1875.

“ DEAR SIR,—The special Secret Service Fund account has been closed in the manner authorized by your letter of the 4th inst., by the accounting to Sir John A. Macdonald for \$6,600, the amount pledged by him as agreed with you, and transfer of the balance \$25,579.04 to the credit of the Receiver-General as per enclosed receipt No. 66.

“ (Signed) A. DRUMMOND,
Manager.”

None of the parties made any communication of these transactions to any Minister till after they had been closed, when Mr. Langton informed the Prime Minister, Mr. Mackenzie, of the receipt of revenue under the head of Secret Service, and also of the retention by Sir John A. Macdonald of the sum of \$6,600. It was not intimated to Mr. Mackenzie that this sum had been standing to the credit of a Committee of Council, and his impression was that it had been in the hands of Sir John A. Macdonald individually, and that he had disbursed it.

In this view, Mr. Mackenzie discussed the subject with Mr. Langton, who, on 23rd November, wrote Sir John A. Macdonald the following letter:—

“ November 23rd, 1875.

“ MY DEAR SIR JOHN,—When I mentioned to Mr. Mackenzie the other day, the receipt we had had from you on account of Secret Service money, he requested me to call your attention to a resolution of the Committee upon public accounts which was submitted to the House, and which you will find at page 173 of the Journals of 1872. I doubt whether there was any expenditure for Secret Service after that date, as I learn from the Bank of Montreal that the present balance had remained untouched for upwards of a year before the resignation of your Ministry, but Mr. Mackenzie intimated that he would expect a statement to be made of the payments made out of the \$6,600 which you withhold as already pledged, in accordance with that resolution.

“ (Signed) JOHN LANGTON,
“ Auditor.””

To this, Sir John A. Macdonald replied as follows:—

“ TORONTO, November 30th, 1875.

“ MY DEAR LANGTON,—I have yours of the 23rd, which absence from home has prevented me from acknowledging before.

“ I do not think that the fund at my disposal comes within the resolution you refer to; but I shall wait on Mr. Mackenzie, and explain the matter to him on the first opportunity. I would have done so had he been in Ottawa when I was there, but he had gone to the Maritime Provinces.

“ (Signed) JOHN A. MACDONALD.”

Sir John A. Macdonald retained the sum of \$6,600, and during the session of 1876 was informed by Mr. Mackenzie, on three several occasions, that the whole subject must be communicated to Parliament. He requested delay, however, partly owing to illness, promising to see Mr. Mackenzie in relation to the matter. He did not see Mr. Mackenzie to give the promised explanations until about the time of prorogation, when a conversation was had which did not result in any arrangement.

Shortly afterwards Sir John A. Macdonald paid \$6,000 to the Hon. Senator Campbell; \$600 he still retains for the purpose hereinafter mentioned.

Sir John A. Macdonald states that all the moneys spent since the 29th May, 1872, save the \$600 chequed out for payment to the Hon. J. H. Pope, were for claims contracted before 29th May, 1872.

The Committee abstaining, in view of the resolution of the 29th May, 1872, from any public enquiry into the destination of the sums expended, have not investigated the specific dates at which all those claims arose which were satisfied by payment subsequent to the resolution of 1872; but it has been made to appear, with reference to the sum of \$600 retained to meet a payment made by the Hon. J. H. Pope, the member for Compton, that this claim arose in the summer of the year 1873, and consequently subsequent to the date of the resolution.

The English law and practice applicable to Secret Service moneys, so far as material to the present enquiry, seems to be as follows:—

(1.) When money is issued from the pay office to the Secretary of State as Secret Service money, the Secretary of State gives a receipt under his own hand for the money which is issued to him.

(2.) By 22 Geo. III., c. 82, it is provided by section 24, as follows:—“and from preventing as much as may be all abuses in the disposal of moneys issued under the head of Secret Service money, or money for special service, be it enacted by the authority aforesaid, that it shall not be lawful to issue or imprest from the Exchequer, or order to be paid by a Treasury Warrant, or under sign manual or otherwise, to any Secretary or Secretaries of the Treasury, or to any other person or persons whatsoever, from the Civil List revenues, for the purpose of Secret Service within this Kingdom, any sum or sums of money which in the whole shall exceed the sum of ten thousand pounds in any one year.” And it is also provided that when the Treasury issues or directs the payment of money from the civil list revenues for foreign Secret Service, the same is issued and paid to one of His Majesty's principal Secretaries of State, or to the first Commissioner of the Admiralty, who shall for his discharge at the Exchequer, within three years from the issue, produce the receipt of His Majesty's Minister, Commissioner, or Consul in foreign parts, or of any Commander in Chief or other commander of His Majesty's Navy or land forces to whom the said money shall have been sent or given; that the same hath been received for the purpose for which the same hath been issued; which said receipt shall be filed in the Exchequer in order to charge the said foreign Minister or other officer with the same; and the said receipt shall be sufficient to acquit or discharge the said Secretary or Secretaries, or first Commissioner of the Admiralty in the said account at the Exchequer.

And any foreign Minister or other officer who shall stand charged at the Exchequer for or by reason of any Secret Service money by him received, shall stand discharged and acquitted thereof, if within one year after his arrival in Great Britain he shall either return the said money into the Exchequer or make oath before the Barons of the Exchequer, or one of them, in form following:

I, A. B., do swear that I have disbursed the money entrusted to me for foreign Secret Service faithfully, according to the intent and purpose for which it was given; according to the best of my judgment, for His Majesty's service. So help me God.

And also, whenever it shall be necessary for the principal Secretary of State, or first Commissioner of the Admiralty, to make payment of any money issued for foreign Secret Service, or for Secret Service, in detecting, preventing, or defeating treasonable conspiracies against the State in any place within the Kingdom, then it shall be sufficient to acquit and discharge the said Secretary or other Minister for him or the Under Secretary of State in the office in which such Secret Service money hath been

paid, or the Secretary of the Admiralty, to make out before the Barons of the Exchequer, or one of them, or before the Cursitory Baron, in form following: I, A. B., do swear that the money paid to me for foreign and Secret Service, or for Secret Service, in detecting, preventing or defeating treasonable or other dangerous conspiracies against the State (*mutatis mutandis*, as the case may be), has been *bonâ fide* applied to the said purpose or purposes, and to no other; and that it hath not appeared to me convenient to state that the same should be paid abroad.

(3.) The practice enjoined by this Statute is acted on with reference to the Parliamentary appropriation made from year to year for Secret Service.

(4.) Each outgoing Secretary of State immediately renders an account, and transfers the money in his hands to the new Secretary of State, who starts with a fresh account, carrying on as the first item on the debit side the Secret Service money which has been transferred to him by the previous Secretary of State.

(5.) Since 1870, the amount expended during the fiscal year is entered in the Public Accounts for the year as expended for Secret Service.

(6.) Since 1870, the balance unexpended at the end of the fiscal year is surrendered to the Treasury in like manner as other balances of public funds.

The Canadian law contains no special provision for Secret Service expenditures, and consequently some of the special safeguards provided for by the English law are absent.

Under the Canadian law and Orders in Council and the resolution of the Public Accounts Committee of May 29th, 1872, the practice should have been as follows:—

(1.) The Ministers in whose names the fund was placed should have certified that the money paid therefrom had been disbursed for the service of the country.

(2.) The amount disbursed during the fiscal year should have been entered in the Public Accounts for the year, as expended for Secret Service.

(3.) The amount unexpended at the end of the fiscal year, remaining at the credit of the special account of the Sub-Committee of Council on Secret Service, should have been treated as a lapsed balance, under the Act 31 Vic., cap. 5, sect. 28, which, without making any exception whatever, provided that: "All balances of appropriations which remain unexpended at the end of the financial year, shall lapse and be written off."

(4.) Any moneys standing to the credit of any Sub-Committee of Council on Secret Service, should have been treated as remaining at the credit of the Sub-Committee, notwithstanding any change in the persons of the Ministers composing the Sub-Committee, and thus, in case any of such persons ceased to hold office, his interest in or control over the moneys would thereon end, and his successor in office would succeed to his rights and responsibilities in this as in other respects. The same rule would, of course, apply in the case of the resignation of all the members of the Sub-Committee.

(5.) If, however, it were supposed that owing to the form of the deposit or otherwise, any member of the Sub-Committee retained, after his resignation, control over the fund, or in case any portion of the fund had been, before his resignation, placed in the individual control of any member of the Sub-Committee, for expenditure, but had not been actually disbursed, such individual could not, after his resignation, have any right to disburse the fund, but would be bound to hand it over to those who had succeeded to his responsibilities.

In this connection reference may be made to the 42nd clause of the Act respecting the liability of Public Accounts, 31 Vic., cap. 5, which provides that:

"If any officer or person has received public money for the purpose of applying it to any specific purpose, and has not so applied within the time or in the manner provided by law, or if any person, having held any public office, and having ceased to hold the same, has in his hands any public money, received by him as such officer, for the purpose of being applied to any specific purpose to which he has not so applied it, such officer or person shall be deemed to have received such money for the Crown, for the public uses of the Dominion, and may be notified by the Minister of Finance to pay such sum back to the Receiver-General, and the same may be

“recovered from him as a debt to the Crown, in any manner in which debts to the Crown may be recovered, and an equal sum may, in the meantime, be applied to the purpose to which such sum ought to have been applied.”

(6.) An Account should have been kept of all sums spent, and this, more especially, after the resolution of the Public Accounts Committee of May 29th, 1872.

These provisions appear to have been disregarded. For example:

(1.) No certificate or voucher of the disbursing Ministers was given.

(2.) The entries made (without any such certificate) of amounts expended in the earlier fiscal years after Confederation were, as compared with the bank account, varied therefrom.

(3.) The unexpended balances were not surrendered.

(4.) With reference to the expenditure of the vote for 1867-68, a sum was entered in the Public Accounts as actually expended in the fiscal year, and an assumed balance was carried forward as an asset. This practice was repeated for the two following years, and thereby Parliament was practically told that the amount entered as expended in each fiscal year had been actually expended in that year, and that the balance was being carried forward for expenditure in future years.

This course was, however, without any communication of the change, departed from in the case of the large vote of \$75,000 for the service of the fiscal year 1870-71, the whole of which sum was entered as actually expended in that fiscal year, although at the close of the year \$50,754.04, or more than two-thirds of the amount, remained unexpended, \$35,000 of which was actually not placed to the credit of the Sub-Committee until three days after the close of the fiscal year.

The result of this alteration of system without communication to Parliament, was to lead Parliament to believe that the Secret Service Fund voted for 1870-71 was exhausted, when, in fact, there remained thereof unexpended over \$50,000.

(5.) A considerable part of this balance, which should have been written off, was spent in subsequent years.

(6.) No entry of the existence, or of any subsequent actual expenditure of this balance was even made in the Public Accounts, and its existence and the dealings therewith would have remained unknown but for the events which have led to the present enquiry.

(7.) No account of the sums spent for Secret Service was kept after the resolution of the 29th May, 1872, which expressly stated that such an account should be kept for the purpose of a confidential audit.

It has been suggested that this resolution does not apply to moneys spent subsequent to its date in discharge of prior claims, but the Committee cannot concur in this view. The clear and conclusive language of the resolution embraces all sums spent subsequent to its date.

(8.) The sum of \$3,398.83 of the public moneys of Canada was, without the authority of Parliament, appropriated to and expended for Secret Service.

(9.) Two sums, amounting in the aggregate to \$15,584, were drawn from the Secret Service Special Account and applied to other unauthorized purposes, though subsequently made good to the fund.

(10.) The outgoing Ministers did not inform their successors of the balance to the credit of the Sub-Committee of Council, or deal with them in respect thereof.

(11.) Over two years after his resignation, when another person was filling the office of Minister of Justice, and after Sir John A. Macdonald had ceased to have any legal or constitutional control over the fund, for the disbursement of which his successors were responsible, he drew therefrom the sum of \$6,600 before mentioned.

The Committee are of opinion as follows:—

(1.) That the course pursued and hereinbefore specified with regard to the Secret Service moneys, was highly irregular and a breach of the duty of those concerned therein.

(2.) That steps should be taken for the recovery into the public chest of the said sum of \$6,600.

(3.) That no accounts having been kept, and the cheques or papers having been

lost or destroyed, a satisfactory audit of the Secret Service expenditure has been rendered impossible.

(4.) That it was the duty of the Auditor-General to have informed the new Ministers of the fact that there was a balance at the credit of the Sub-Committee of Council, and to have obtained the authority of the Ministers before giving Mr. Drummond the directions about the disposal of the money contained in his letter of November 4th, 1875.

(5.) That, in case Secret Service moneys should at any time hereafter be voted by Parliament, it would be proper to provide further statutory safeguards against abuses in the application thereof.

All which is respectfully submitted.

JAMES YOUNG,
Chairman.

MINUTES OF EVIDENCE.

EXPENDITURE OF

SECRET SERVICE FUNDS.

RAILWAY COMMITTEE ROOM,
OTTAWA, Saturday, 17th March, 1877.

Committee met—Mr. YOUNG in the chair.

ANDREW DRUMMOND, Esq., Manager of the Ottawa Branch of the Bank of Montreal, being in attendance submitted the following letter and statements :

(1.)

BANK OF MONTREAL,
OTTAWA, 16th March, 1877;

SIR,—In conformity with the request of the Committee on Public Accounts, conveyed through you in your letter of yesterday, I have the honour to submit herewith statements of the amounts for Secret Service purposes deposited in, and the disbursements made through this Branch, from August, 1866, until closed on 12th November, 1875.

A statement of the accounts, accompanied by all the vouchers, was rendered on 5th March, 1873, to Sir John A. Macdonald, at his request, and again about August of same year, there are consequently no cheques in the possession of the Bank connected with the transactions, excepting for the closing of the accounts.

I remain,

Your obedient servant,

(Signed)

ANDREW DRUMMOND,

Manager.

EDWARD P. HARTNEY, Esq.,

Clerk of Committee, House of Commons.

(2.)

No. 1, SPECIAL ACCOUNT.

BANK OF MONTREAL in Account with Sir J. A. Macdonald *et alia* John A. Macdonald,
Dr. G. E. Cartier, Wm. McDougall, A. T. Galt and Sir F. Hincks. Cr.

1866.		\$	cts.	1866.		\$	cts.
Aug. 7	To deposit.....	50,000	00	Aug. 7	By Cheque.....	38,000	00
				do	7	do	500 00
1870.				Sept. 13	do	500 00	
July 6	Warrant 51.....	30,000	00	Oct. 1	do	200 00	
Dec. 9	do 1902.....	10,000	00	Nov. 9	do	500 00	
				do	14	do	200 00
1871.				1867.			
Feb. 11	Deposit.....	15,584	00	Jan. 12	do	50 00	
July 3	Warrant 15.....	35,000	00	do	12	do	100 00
				do	12	do	1,001 17
				May 9	do	50 00	
				June 6	do	500 00	
				July 27	do	70 00	
				1869.			
				Oct. 18	do	1,130 29	
				do	20	do	1,000 00
				1870.			
				Jan. 14	do	1,000 00	
				Mar. 10	do	1,000 00	
				do	23	do	200 00
				May 19	do	500 00	
				do	19	do	1,900 00
				do	19	do	300 00
				June 27	do	400 00	
				do	27	do	2,500 00
				do	27	do	150 00
				July 2	do	2,600 00	
				do	4	do	1,050 00
				do	6	do	21,834 00
				Aug. 30	do	25 20	
				Sept. 19	do	230 00	
				Oct. 18	do	2,500 00	
				do	18	do	600 00
				Dec. 5	do	2,900 00	
				do	5	do	500 00
				1871.			
				Jan. 21	do	749 30	
				Feb. 11	do	4,600 00	
				Mar. 6	do	180 00	
				June 5	do	250 00	
				Sept. 11	do	425 00	
				Dec. 27	do	1,000 00	
				1872.			
				Jan. 23	do	2, 00 00	
				Mar. 12	do	50 00	
				Oct. 17	do	10,000 00	
				1873.			
				June 27	do	5,000 00	
				1875.			
				Nov. 12	do	6,600 00	
				do	12	do to Receiver-Gen'l	25,579 04
		140,584	00				140,584 00

(Signed)

ANDREW DRUMMOND,

Manager.

BANK OF MONTREAL,
OTTAWA, March 16th, 1877.

(3.)

No. 2, SPECIAL ACCOUNT.

BANK OF MONTREAL in account with Minister of Justice *et al.* (J. A. Macdonald, Attorney-General; John Rose, Finance Minister; G. E. Cartier, Minister of Dr. Militia; and W. P. Howland, Minister of Inland Revenue.) CR

1868.		\$	cts.	1868.		\$	cts.
June 6.....	Deposit	50,000	00	June 10.....	Cheque No. 1.....	4,000	00
				do 12.....	do 3.....	100	00
				do 13.....	do 2.....	15,000	00
				do 29.....	do 4.....	2,891	41
				July 7.....	do 5.....	600	00
				Aug. 27.....	do 6.....	2,000	00
				Oct. 10.....	do 7.....	1,518	00
				Nov. 2.....	do 8.....	202	50
				do 9.....	do 9.....	1,072	00
				Dec. 28.....	do 10.....	980	38
				1869.			
				Feb. 8.....	do 11.....	681	00
				March 16.....	do 12.....	4,000	00
				April 12.....	do 13.....	4,000	00
				May 14.....	do 14.....	3,575	00
				do 26.....	do 15.....	5,500	00
				Aug. 18.....	do 16.....	2,000	00
				Oct. 18.....	do 17.....	1,809	71
				.....	do 18.....	70	00
		50,000	00			50,000	00

(Signed) A. DRUMMOND,
Manager.

BANK OF MONTREAL,
OTTAWA, 16th March, 1877.

Mr. LANGTON, Auditor-General, who was also in attendance then submitted the following statement:—

(4.)

SECRET SERVICE.

1868—JUNE 5.

	\$	cts.
A Warrant issued on the Certificate 1, on the sheet A, in accordance with the O. C marked I, for.....	50,000	00
An Entry Warrant marked B was issued in accordance with which the expenditure which had taken place was charged in the Public Accounts, 1868, I, p. 153, under the head Miscellaneous	15,086	41
And the balance was entered in the Public Accounts, I, p. 11, in a special account.....	34,913	59

1869.

An Entry Warrant, on the Certificate 1, on the Sheet marked C, was issued, adding the unexpended balance, before Confederation, to the special account.....	8,398	83
	<u>43,312</u>	<u>42</u>

The vote for the year 1869, of \$75,000, was written off, an <i>Entry Warrant</i> on the Certificate 2, on Sheet C, was issued in accordance with which the expenditure of the year was entered in <i>Miscellaneous, P. A., I, p. 189</i>	33,103 88
And the balance appears, <i>P. A., I, p. 6</i>	10,208 54

1870.

An *Entry Warrant*, on Certificate 2, Sheet C, was issued in accordance with which the whole balance was entered as expended, *P. A., I, p. 229*..

1871.

Voted in the Estimates for 1870-71.....	75,000 00
A <i>Warrant</i> was issued on Certificate 2, of Sheet A, in accordance with O. C., marked II.....	30,000 00
A <i>Warrant</i> , on Certificate 3, was issued in accordance with O. C., marked III.....	10,000
A <i>Warrant</i> , on Certificate 4, was issued in accordance with O. C., marked IV.....	35,000 00
	75,000 00

A.—WARRANTS.

1.—JUNE 5, 1868.

I certify that a warrant may issue in favour of the Receiver-General for \$50,000, in accordance with Order in Council, June 5.

(Signed) JOHN LANGTON.

2.—JULY 4, 1870.

Certified,—That a warrant for \$30,000 may issue in favor of the Bank of Montreal, on account of Secret Service, to place to special account.

(Signed) JOHN LANGTON,
-Estimates, 70-71.

3.—DECEMBER 7th, 1870.

Certified,—That a warrant may issue in favor of A. Drummond, Manager of the Bank of Montreal, for \$10,000, charged to *Miscellaneous—Secret Service*. Order in Council, 6th December, 1870.

(Signed) JOHN LANGTON.

4.—JUNE 30, 1871.

Certified,—That a warrant may issue in favor of A. Drummond, Manager of the Bank of Montreal, for \$35,000. Charge to *Miscellaneous—Secret Service*. Estimates, 70-71.

(Signed) JOHN LANGTON.

B.

Transfer.

ENTRY WARRANTS

BY HIS EXCELLENCY THE RIGHT HONOURABLE SIR JOHN YOUNG,
G. C. B., G. C. M. G., ONE OF HER MAJESTY'S MOST HONORABLE
PRIVY COUNCIL, GOVERNOR-GENERAL OF CANADA, &c., &c., &c.

To the Honorable the Receiver-General of Canada.

You are hereby authorized and required to place the sum of thirty-four thousand nine hundred and thirteen dollars and fifty-nine cents to the credit of Secret Service of the year 1867-1868, and debiting a new Account to be called "Special Deposit for Secret Service," that being the amount of Secret Service Money unexpended, 30th June, 1868.

No. 10. \$34,913.59. Entered. (Signed) W. DICKINSON.

And for so doing this shall be to you a sufficient warrant and discharge.
Ottawa, this 1st day of April, 1869.

(Signed) W. H. LEE,
Deputy Governor.

In accordance with this warrant a special deposit was opened for Secret Service, *vide* Public Accounts, page i, ii, and the balance of \$15,086.41 was charged in Miscellaneous, Public Accounts i, page 153.

C.

ENTRY WARRANTS.

1.

October 18, 1869. Certified that a transfer entry warrant may issue charging "Special Deposit Secret Service," and crediting "Services of 1868" with \$8,398.83, being the balance unexpended in the year 1866-7.

(Signed) JOHN LANGTON.

2.

October 18, 1869. Also an entry warrant charging "Miscellaneous" and crediting "Special Deposit Secret Service" with \$33,103.88, being the amount expended in the year 1868-9.

(Signed) JOHN LANGTON,
Auditor.

3.

January 20, 1871. Certified that an entry warrant is required in connexion with the accounts of 1869-70 to authorize charging "Miscellaneous" for Detective and Secret Service, and crediting "Special Deposit Secret Service," the balance of appropriation granted by Act 31 Vic., Cap. 31, Schedule A, expended during fiscal year 1869-70, amounting to \$10,208.54.

(Signed) JOHN LANGTON,
Auditor.

After which Mr. LANGTON was called and examined :—

By Mr. Charlton :—

1. What amount of Secret Service money was brought over from the fund which existed prior to Confederation ?—The sum of \$8,398.83 was brought forward as the unexpended balance before Confederation.

2. Were the unexpended balances surrendered at the end of each fiscal year ?—In 1868-9 and in 1870 the Secret Service expenditure for the year is shewn in the Public Accounts ; that is to say, with reference to the vote of \$50,000, which was charged as a special account in 1868. The entry warrant at the end of the year shews that out of this vote were taken \$15,086.41, and the balance remaining is shewn in the Public Accounts, as I have already stated. In the next year the entry warrant shews that \$33,103.88 were spent, and the balance remaining over is shewn in the Public Accounts. Afterwards, in 1870-1, a different system was adopted ; the vote was charged as paid and no balance appeared in the Public Accounts. That was the system that prevailed before Confederation.

3. Was the unexpended balance which remained over after the Administration of the late Government came to a close handed over to their successors ?—It was left in the bank. I do not know whether any action was taken about it.

4. How were the payments made ?—By virtue of an Order in Council passed before Confederation ?—They were made on Orders in Council.

5. In accordance with entries in the Public Accounts ?—Yes.

By Mr. Blake :—

6. You stated that the balance remaining over from the year 1866, was transferred to a special account of the Secret Service Fund. In what year was this done ?—It was in 1868-9 that the transfer first came into the Public Accounts.

7. Do you mean the fiscal year 1868-9, or the year 1869 in ordinary parlance ?—It was the fiscal year 1868-9.

8. You are not able to say at what precise period of the year this transfer was made ?—I cannot.

9. But you can supply that information ?—Yes.

10. Before that vote appears to have been expended it was kept as a separate account ? Are you aware of the fact that it was kept separate from any other account ?—Yes.

12. It was kept separate from the Secret Service Account ?—It was a special account. By an Order in Council it was made a special account in the name of the Receiver-General, subject to the cheques of the Ministers of Justice, Militia, Finance and Inland Revenue.

13. I am speaking of the particular vote of \$50,000 which first passed through the Secret Service Fund. It seems that in the Bank of Montreal this account, with reference to the vote of 1867-68 was kept as a separate account ?—I have no doubt that it was kept as a separate account, and I think that it was quite correct to treat it on a different principle than it was treated in the Public Accounts.

14. Why ?—Because year after year there was an entry-warrant to show how much had been spent and how much remained. This had nothing whatever to do with the previous year, and nothing whatever with the subsequent one.

15. Then the principle of dealing with the Secret Service money, applied to the vote of 1868, differed from that which was previously applied and subsequently applied to this fund ? What was the reason made in dealing with the fund ?—The vote of 1867 was paid over to Andrew Drummond, Manager of the Bank of Montreal in Ottawa, and the other vote was paid over to the Receiver-General's special account in the Bank of Montreal.

16. We will now discuss the vote of 1868 ?—In 1868 the vote was paid over to the special account of the Receiver-General in the Bank of Montreal, and the Bank treated it differently from the manner in which it had treated the vote of the previous year, which was paid over merely to the Manager of the Bank of Montreal.

17. The account is headed "The Bank of Montreal in Account with the Minister of Justice and others," and, in brackets, appear the names of Sir John A. Macdonald, Minister of Justice; Sir Geo. E. Cartier, Minister of Militia; Sir John Rose, Minister of Finance, and Hon. W. P. Howland, Minister of Inland Revenue. I interpret that this was an account with the Ministers?—These Ministers were authorized to give cheques upon it. It was called the special account with the Receiver-General by an Order in Council.

18. The Bank of Montreal seems to have treated it as an account of the four Ministers?—It was separate from their other accounts.

19. The Bank of Montreal treated it as an account with the four Ministers as you understood? as an account with the Minister of Justice, the Minister of Finance, the Minister of Militia and the Minister of Inland Revenue. As I heard your statement, I think you said it was generally closed up by warrant and that you are not aware how the Bank treated the account?—Yes. It was done by warrant. It was the Receiver-General's special account, subject to the cheques of the Ministers.

20. As to the account of the Bank of Montreal with Sir John A. Macdonald *et al.*, including Sir Alexander Galt and Sir Francis Hincks. Were any different instructions given to the Bank from your office or the Receiver-General's office with reference to their case?—I am not aware of any special instructions having been given, but the warrant would distinctly name the Minister on whose authority it was made out, in accordance with the Order in Council.

21. Are these warrants produced among the papers brought down?—I have not the warrants with me, but I have the Orders in Council.

The Orders in Council were then handed in and are as follows:—

(5.)

COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council, on the 5th June, 1868.

The Committee of Council respectfully recommend that the sum of fifty thousand dollars be appropriated of the vote for Secret and Detective service for 1868, and that a warrant do issue in favour of the Receiver-General with directions to place the same on special account with the Bank of Montreal, in the names of the Minister of Justice, the Minister of Militia, the Minister of Finance, and the Minister of Internal Revenue, whose certificate that the same or any part thereof has been disbursed for the service of the country shall be a sufficient discharge and voucher for the payment of the same.

Certified.

(Signed)

W. A. HIMSWORTH,
Clerk, Privy Council.

(6.)

COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council, on the 1st July, 1870.

The Committee of Council respectfully recommend that the sum of thirty thousand dollars be appropriated of the vote for secret service for 1870-71, and that a warrant do issue in favour of A. Drummond, Esq., Manager of the Ottawa Branch of the Bank of Montreal, with directions to place the same on special account with the Bank of Montreal in the names of the Minister of Justice, the Minister of Militia, the Minister of Finance and the Minister of Inland Revenue, whose certificate that the same or any part thereof has been disbursed for the service of the country shall be a sufficient discharge and voucher for the payment for the same.

Certified.

(Signed)

W. A. HIMSWORTH,
Clerk, Privy Council.

(7.)

COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council, on the 6th December, 1870.

The Committee of Council respectfully recommend that a further sum of ten thousand dollars be appropriated of the vote for secret service for 1870-71, and that a warrant do issue in favour of A. Drummond, Esq., Manager of the Ottawa Branch of the Bank of Montreal, with directions to place the same on special account with the Bank of Montreal in the names of the Minister of Justice, the Minister of Finance, and the Minister of Inland Revenue, whose certificate that the same, or any part thereof, has been disbursed for the service of the country, shall be a sufficient discharge and voucher for the payment of the same.

Certified.

(Signed) W. A. HIMSWORTH,
Clerk, Privy Council.

(8.)

COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency, the Governor General in Council, on the 27th June, 1871.

On a memorandum dated 26th June, 1871, from the Hon. the Minister of Justice reporting that it appears from the certificate of the Auditor that there remains unexpended of the vote for Secret Service the sum of \$35,000. That as there was no vote taken for Secret Service last session, and inasmuch as there is sufficient evidence that the public interests may require that the unexpended balance should be used, he recommends that the same be carried to the credit of the Sub-Committee of Council on Secret Service matters.

The Committee submit the above recommendation for Your Excellency's approval.

Certified.

(Signed) W. A. HIMSWORTH,
Clerk, Privy Council.

(9.)

The undersigned has the honour to report that it appears from the certificate of the Auditor, that there remains unexpended of the vote for Secret Service the sum of thirty-five thousand dollars.

As there was no vote taken for Secret Service last session, and inasmuch as there is sufficient evidence to show that the public interests may require that the unexpended balance should be used, the undersigned recommends that the same be carried to the credit of the Sub-Committee of Council on Secret Service matters.

June 26th, 1871.

(Signed) JOHN A. MACDONALD.

Mr. Blake:—

I think the Committee would like to have the warrants or copies of them.

Witness—The first warrant by me certified is as follows:—"I certify that a warrant may issue in favour of the Receiver-General for \$50,000, in accordance with the Order in Council." This is dated June 5th. Of course, the warrant was then drawn in favour of the Receiver-General's special account. The next warrant is as follows:—"I certify that a warrant for \$30,000 may issue in favour of the Bank of Montreal's account for Secret Service"—this being a special account. There was that difference in the two warrants and it was natural enough that the Bank of Montreal should treat it differently in their accounts.

22. How came the difference in the wording of the warrants; why was the wording made different?—Because the Order in Council stated that the sums were to be paid to Mr. Drummond and not to the Receiver General. The form was—“That a warrant do issue in favour of A. Drummond, Manager of the Ottawa Branch of the Bank of Montreal.”

23. Which order is that?—That was for the order for the \$30,000.

24. What is the date, pray?—The first warrant related to the second appropriation; and the one I have read was the warrant issued in favour of A. Drummond, Esq., Manager.

25. What is the date?—1st July, 1870. The next warrant was drawn in favour of A. Drummond, Esq., Manager of Bank of Montreal.

26. What is the amount?—\$10,000.

27. And the date?—December, 1870.

28. The subsequent warrants were all alike?—No doubt they were, but the Order in Council is rather different. It recognized the carrying out of the sum to the credit of the Sub-Committee on Secret Service moneys. I will see how the warrant is drawn.

29. Have we transcripts of the other warrants?—My certificate is the same in all cases. The first one with reference to the \$75,000 vote is one drawn in July, 1870, certifying a warrant for \$30,000 in favour of the Bank of Montreal on account. The second certifies that a warrant may issue in favor of A. Drummond, Manager of the Bank of Montreal, as is also the third. But previous warrants were certified in favour of the Receiver-General, and it was kept as a special account.

30. It is stated in the account of the Bank of Montreal brought forward, that in 1868, when the warrants were dealt with differently, the account was closed, but the expenditure runs from June 10th, 1868, to October 18th, 1869, outrunning therefore that financial year, as I understood it?—Yes.

31. That money was voted for the fiscal year; which fiscal year was it?—The \$50,000 was voted in 1868.

32. For the service of what year?—For 1868.

33. The fiscal year 1867-8, or 1868-9?—For the fiscal year 1867-8.

By Mr. T. N. Gibbs:—

34. This vote was passed in 1868. It was not for 1867-8, but for 1868-9. *Witness.* It was passed 5th June, 1868.

By Mr. Blake:—

35. For what year was the appropriation made?—According to the vote it was made for the year 1867-8.

36. The appropriation was for the financial year 1867-8, but the Order in Council in reference to it issued within a few days of the expiration of that year. This was on the 6th of June, and the financial year expired on the 30th of that month. The expenditure for that financial year seems to be included in four cheques made out in June, and amounting to about \$21,000. The whole of the residue expenditure seems to have taken place in the financial year 1868-9?—The sum of \$15,000 was spent in 1867-8.

37. Only \$15,000?—Yes.

38. The cheques on the Bank of Montreal show the following payments in June, 1868: 10th, \$4,000; 12th, \$100; 13th, \$15,000, and 29th, \$2,891 41. The account is continued through July, August, September, October, November (1868), February, March, April, May, August and October, 1869. Of two cheques in October—one of the 7th is apparently a cheque drawn for the balance of the amount on deposit, making the \$50,000. The question is, how much of the expenditure on this account took place during the financial year for which the sum was voted?—We had no possibility of knowing when they issued cheques or paid them, but we were informed that this amount of \$15,086.41 was charged to that year, and accordingly it was entered in the Public Accounts.

39. You had no information of the amounts actually chequed out; but you were informed that \$15,086.41 had been chequed out and had been applied?— Yes.

40. Who gave you that information?—I did not receive any written information; it was verbal. It may be as well to inform the Committee that not only formerly, but now as well, too many verbal instructions were, and are, given, throwing too much responsibility on officers of the Departments.

41. I did not ask whether your instructions were verbal or in writing; but who gave you those instructions?—I have no record of it, but I was informed that it was to be charged for that year.

42. Who gave you the information?—I cannot trust my memory on that point. I do not find any written record of it.

43. You cannot tell or recollect, and your search fails to disclose any written voucher or authority for that entry?—Yes.

44. Was there any authority for it on your own part, or on the part of the Deputy Receiver-General?—Yes. There was authority for it on my part.

45. But your own authority is the only official authority on record?— Yes.

46. And that was based on some verbal instruction conveyed by somebody, you know not whom?— Yes. The whole amount was charged in our books. The \$50,000 was charged to a special account, and the entry warrant was passed on my signature. A balance was left in the special account, and it was carried over into the Public Accounts.

47. What was the entry warrant; it seems that \$15,000 was charged, does it not?— When the Receiver-General was in Europe, I was authorized and required to place the sum of \$34,913.59 to the credit of the Secret Service Fund for the year 1867-8, and debit the new account with the special deposit for Secret Service, that being the amount unexpended on the 30th June, 1868.

48. Then you were authorized to open a fresh account?— Yes.

49. That was a different system from that previously pursued?— Yes; but the whole amount of money was charged and we never heard anything else about it.

50. It was charged as if spent; no information was, in previous years, conveyed to you until the close of the year, as to how much had been spent, but, under the different system introduced in this year of Grace, you were told so much had been spent and that appeared in the Public Accounts?— Yes.

51. Was that the course pursued in carrying forward unexpended balances?— The \$34,000 was treated as an unexpended balance. The present rule of unexpended balances lapsing is more modern. A great number of old balances used to be carried forward. They had been absolutely taken out of cash.

52. The rule of unexpended balances lapsing was adopted subsequent to 1868? Yes.

53. Was it not adopted during the existence of the old Province of Canada?—I think not.

54. I think the law is of earlier date?—I know it was adopted upon a special report of mine that it was very desirable that it should be introduced. When I first entered the office, balances were carried forward continuously for half a dozen years.

55. I know that, but I think it has been reformed?—It was altered on my report.

56. Is it not the fact that anterior to Confederation the general system of balances lapsing was adopted by law?—I suppose that was the case, but it was not the practice.

57. Then you regarded this as a special case, and it was carried to a special account; but, notwithstanding this fact, you issued a warrant authorizing it to be regarded as an unexpended balance to be carried forward?—Suppose they had asked for \$20,000 for one year, during the next year any balance existing would be considered as lapsed, and if I was then asked for money from that vote I would say "the balance has lapsed." But instead of following that course they took the whole of the money and put it into a special account. As far as our books were concerned this money was absolutely spent.

58. But it was brought back again?—No; the whole \$50,000 was entered, but

charged to the Receiver-General's special account; and at the end of the year I received information that the balance of the account in the Receiver-General's hands was only \$34,000, because \$15,000 had been spent.

59. You kept on entering in the Public Accounts subsequent expenditures of this money?—Certainly.

60. From year to year?—Certainly.

61. The charges could not be made more than once?—The money was paid over to the special account of the Receiver-General, and against it these items were charged.

62. Then you say that this system was altered later?—The last vote in 1870-1 was paid over to the Bank of Montreal on an Order in Council.

63. That was the only vote regarding which the variation took place with respect to the Order in Council?—That was all that was paid on Orders in Council.

64. I observe that on the 11th February, 1871, \$15,584 is said to have been deposited, the warrants of which you have given us communication are drawn for \$30,000, \$10,000 and \$35,000, making in all \$75,000; but on the 11th February, 1871, I find the additional item of \$15,584 deposited to the credit of the special account No. 1?—I knew nothing at all about it until I saw it in the statement produced this morning.

65. You did not know anything at all about that deposit?—Nothing whatever.

66. And you can give no explanation about it?—None whatever.

67. It did not come from the Treasury at that time?—We had nothing at all to do with it. I was in perfect ignorance of it until this morning.

68. But you saw this morning this deposit mentioned under date of February 11th, 1871. I want to know whether it came from the Treasury?—It did not. Only three payments were made from the Treasury, and the amounts were \$30,000, \$10,000 and \$35,000.

69. When were you first made aware of the fact that there was an unexpended balance after the late Administration had resigned?—Just before the late Administration resigned Sir John Macdonald spoke to me about the balance, and proposed to pay it in at once. I did not hear of it again until some time afterwards.

70. Just before the late Administration resigned Sir John Macdonald informed you that there was such a balance?—He said there was a balance, and asked what was the best way of dealing with it. I told him I thought the best way would be to pay to the account of the Receiver-General whatever balance there was, and I understood him to say that he would do so.

71. That was the first intimation you had of the existence of an unexpended balance?—I had no possible means of knowing it otherwise.

72. What was the next intimation you received on this subject?—That was nearly a couple of years afterwards. Sir John Macdonald told me then that he had not paid in the balance, and I recommended him at the time to do so.

73. The next intimation you had from Sir John Macdonald on this subject was about the time when the account was closed?—Yes. He then intimated that he had not yet paid it in.

74. Of course you knew it then and you recommended him again to pay it in?—Yes.

75. At that time was any statement made to you as to any portion of that balance?—My recollection is that Sir John Macdonald assigned as his reason for the delay that a claim was made upon it which he could not get settled as he had wished to do before he resigned. This claim, he said, had hung on and hung on, and it was only then that he had been able to square it up.

76. Was there one claim, or more than one claim?—I do not know whether he said that there was one or more than one.

77. There was either one, or more than one claim which he was unable to settle—you do not remember which?—I do not remember. He said that this was the cause of this delay.

78. Did anything more pass as to the nature of this unsettled claim, or of these unsettled claims?—I do not think so. I cannot recollect that anything else passed.

79. It seems by the account that two cheques were drawn, or two documents at any rate bearing the same date—one for \$6,600, the other for \$25,579.04, the latter being the balance paid into the hands of the Receiver-General. Did anything pass with regard to this unsettled claim between you and Sir John Macdonald?—No. I really cannot trust my memory on the point.

80. It was an unsettled claim which he intimated he proposed to settle out of this money?—O yes. I distinctly recollect that.

81. The cause of the delay was that he had never been able to close that unsettled claim, but now that he was going to close that claim and deposit the balance, did he tell you the amount?—I have no distinct recollection of it, but I think he did.

82. He said something about the amount and told you he was going to pay the claim and deposit the balance?—Yes.

83. Did you ever see any of the cheques?—Never.

84. Nor do you know the names, or the amounts, except from the papers?—No except from the Orders in Council.

85. Under what form was the balance deposited? Was it under a cheque of Sir John Macdonald's, or under your own authority?—I think I made the deposit, I dare say Mr. Drummond will recollect if the cheque was drawn in his own favour or not.

86. On the same day was there any other cheque drawn for \$6,600?—No.

87. The balance left from this transaction was surrendered into the Consolidated Fund?—Yes. It appears in it under the head of casual revenue.

88. You have said that you could not at the moment say whether \$8,398.83 of the fund of old Canada had been credited to the Province?—I think it must have been included in the unexpended balances, for which they had credit, and if not it certainly ought to have been so included.

89. When was credit given for the unexpended balances?—In the year 1867-8, in a statement for the Province of old Canada.

90. You did not know of the existing balance of the Secret Service Fund in 1867-8, and consequently you could not know that it was credited to the old Province?—I will look into the matter. It is quite clear that if it was not credited to the old Province, it ought to have been.

91. That sum, as far as I can judge, seems to have been taken in after the vote of 1868 was expended or appropriated?—It was evidently done when the vote of 1867-8 was running low.

92. That balance was taken over to enlarge the fund at the disposal of the Government?—Yes. That would be then placed to the same account.

93. To what account?—To the Receiver-General's special deposit account.

94. With the Bank of Montreal?—Yes.

95. I suppose it was always deposited there?—In the previous account the money was paid into the Bank of Montreal; and after Confederation a special deposit account was opened with the Receiver-General, when this balance was carried to his account.

96. To the \$50,000 account?—Yes.

97. You are quite sure about that?—This is my certificate. An entry warrant was passed certifying that a transfer entry warrant may issue, charging the special deposit for Secret Service and crediting the Secret Service Fund of 1868 with \$8,398.83, the balance unexpended in the year 1866-7.

98. Was there a date to that warrant?—That is the one which has no date.

99. You think that ought to go into the special account of \$50,000 opened on 6th June, 1868?—It did go into that account.

100. Will you look into the account as presented and shew us where it is?—I know that in our books it was so entered. but I do not know how it was entered in the books of the Bank of Montreal. The expenditure of 1866, up to June will, if added up, I have no doubt, come to the same amount—that was the balance then left.

101. I understood you to say it was quite correct for the Bank of Montreal to

keep two distinct accounts—one for the vote of \$50,000, and the other for the other service, because they were managed under a different system; and I understood you to say that under Orders in Council this \$8,398.83 ought to have gone into the account opened for \$50,000. I want you to look at the account and see if this is the case?—I see an entry for \$50,000.

102. It has not gone into that account then?—Yes.

103. This \$50,000 intervenes as a special account, and the \$8,398.83 only appears as being charged against the original deposit of \$50,000 in 1866?—Yes.

By Mr. Cartwright :—

104. Look at the entry of \$50,000 for secret and detective service in schedule “A” for the service of 1867–8, and say whether that sum was the first \$50,000?—That is the amount.

105. Then that sum was properly said to be for the service of the year ending June 30th, 1868?—Yes, on the 5th of June of that year it was placed in a special account.

By Mr. Holton :—

106. You have stated that Sir John Macdonald indicated this fact, that there was a balance of this account remaining at his credit and in his hands, to you before he resigned?—Yes; it was either just before or just after; it was about that period at any rate.

107. Did you communicate that information to the new Minister of Finance immediately after his assumption of office?—I do not recollect that I did; I do not suppose that I did; I do not recollect saying anything about it.

108. Did you communicate the second intimation you received from Sir John Macdonald about it two years later?—My chief was then in England, I communicated it, however, to Mr. Mackenzie.

109. But about the previous communication, there had been no intimation made to any member of the present Government?—No; I knew nothing about the amount, I think Sir John Macdonald merely asked “what shall I do with this balance,” and I said “you had better deposit it.” He then stated there were unsettled accounts which he was trying to square up, and that was the last I heard of it.

By Mr. Blain :—

110. Was it during the conversation that passed between you and Sir John A. Macdonald on this subject before he resigned, that you first heard any mention made of this fund?—Without saying anything about the amount, he told me there was a balance. I asked, “what are you going to do with it?” And he replied, that after such unsettled claims as he was trying to close up were arranged he would deposit to the credit of the Receiver-General.

111. This was before he resigned?—It was about that period. I think it was before he resigned.

By Mr. Wood :—

112. On that fact coming to your knowledge, was it not your duty to communicate it to the Minister of Finance?—I had no knowledge of the account and Sir John Macdonald said that he had to arrange an unsettled claim. For all I know he might have had to pay it all away to settle that claim.

By Mr. Kirkpatrick :—

113. Does not a sum equal to the balance of \$8,398.83 appear in the account; Will you take the Bank of Montreal account and add up the expenditure for June and July, 1867, and tell us what the balance is?—That amount does appear, but not in the same way as in our books. It is there, however.

114. This money has been properly expended according to the account

Question not answered :

115. Will you add it up?—It is the same.
 116. To the 1st of July, 1867?—It will make the same amount.
 117. Then the account shows that the amount was carried on?—Of course. The only difference is, that it was kept in our books in the other account.
 118. Then it was not abstracted but duly accounted for?—Yes.
 119. Are there Orders in Council and warrants in existence with regard to this fund since 1867?—Yes.
 120. Then Mr. Charlton, who seems to think that these expenditures were made on the authority of an Order in Council of 1866, is in error?—The Order in Council of 1866 provided for the management of the Secret Service Fund by a certain Committee of the Council; and since that Order in Council is referred to on subsequent occasions, and I suppose it meant that the Public Accounts were to be treated in the same manner as if that Order in Council issued each year.
 121. I understand that the total amount of moneys expended since Confederation for Secret Service appears to have been \$125,000, plus the balance carried forward some \$8,000. The total amount is \$133,000, less what is refunded?—Yes; less what is refunded.
 122. What amount was refunded?—\$25,579.04.

By Mr. T. N. Gibbs :—

123. The total amount expended since the first of July, 1867, on Secret Service account was \$107,019. 19. Is that correct?—I was not attending to the question.
 124. After the issue of these warrants you ceased to have anything to do with it?—I had nothing further to do with the matter. It was entered in the Public Accounts as so much money paid.
 125. You did not know anything about the unexpended balance?—No.

By Mr. Blain :—

126. Can you tell me whether the Order in Council authorizing this Committee to deal with that fund, authorized its members to deal with it jointly or separately, or had the power of chequing out?—The Order in Council is there. The last Order in Council was rather different from the others, because the Minister of Militia was in England at the time.
 127. Does it appear from any source how the money was chequed out?
 Mr. Blake: Mr. Drummond is here. He will tell us presently.

By Mr. Kirkpatrick :—

128. Do you know whether any considerable sum of this money was sent to Judge Coursol?—I do not know anything at all about that—absolutely nothing.

By Mr. Charlton :—

129. I wish to establish an entry with reference to the vote of \$75,000. I stated that it appeared from the entries in the Public Accounts that these appropriations were made by virtue of the Order in Council of 1866. This is the entry :—“For the amounts of appropriation for Secret Service, approved by His Excellency the Governor General in accordance with the Order in Council dated August 7th, 1866, for \$75,000.” That is the form in which all these entries are made?—If that was supposed to mean that the money was paid on virtue of that Order in Council, the Public Accounts are altogether wrong. I have no doubt as to what was meant. This was Secret Service money to be managed in the way decided upon by that Order in Council. But individual payments were made on separate Orders in Council.

By Mr. T. N. Gibbs :—

130. And which manner the bank account will show?—*No answer was made to this enquiry.*

Mr. DRUMMOND, Manager of the Ottawa Branch of the Bank of Montreal, was then called and examined :—

By Mr. Blake :—

131. Mr. Drummond, you have sent to the Committee two accounts, in conformity with the order of the Committee. May I ask are these transcripts from the books of the bank?—They are transcripts from the books.

132. They represent the account as it is in the books?—Yes.

133. Another paper seems to indicate that the item of February 11th, 1871, was deposited in two sums?—Yes. I may say in explanation of this entry that the statement referred to by you—(This was objected to by Mr. Kirkpatrick on the ground that the statement was not fyled and the answer was not finished).

By Mr. Blake :—

134. Is that entry correct; Was the deposit all made on the 11th February?—It was all made as it stands—on the 11th of February.

135. It was all made on the 11th February?—It was all made on the 11th of February.

136. As it appears there?—As it appears here.

137. Would you look at that paper?—I see it.

138. In whose handwriting is it made out?—In the Accountant's handwriting.

139. In whose handwriting is the other paper made out?—In my own. This is the one fyled to-day.

140. But that paper was prepared by the Accountant?—It was prepared by the Accountant.

141. It shows the item of the 11th of February—how?—In two sums—\$3,784 and \$11,800.

142. Under what dates?—February 11th and July 15th.

143. How does that happen?—Allow me to explain. On the 11th of February I was directed by Sir Francis Hincks to deposit that amount to the Secret Service Fund and charge it to himself. In the Secret Service Fund reference is made to Sir Francis Hincks' special account, and when drawing this paper up, the Accountant, finding that this was covered by two sums, he supposed these two sums were referred to and put them in the account. In copying the account myself, I found that the \$15,584 was a sum put to the Secret Service account on that date.

144. Is this paper a correct transcript of your books?—It is, Sir.

145. And the other is not?—The Accountant simply took the two items referring to the Special Account and put them here.

146. The other is not a correct transcript?—It is not; but it embodies the two sums covered by the sum of \$15,584.

147. Is there any information on the subject of any of the sums mentioned in that account which has been placed before the Committee, in your possession?—No, Sir.

148. You say there is no other information you can give on that subject?—None.

149. Why was this sum divided up into two sums?—It was covered by it.

150. How did the accountant come to divide it up?—It was covered in our books by these two sums.

151. Then there is an entry in two sums in the books?—Yes—in another account; the special account of Sir Francis Hincks.

152. Then there is another account connected with the Secret Service Fund in the books of the bank?—It was charged to Sir Francis Hincks.

153. There is a special account taken up with Secret Service money?—No, Sir.

154. What connection has it with the Secret Service Fund?—My impression now is that Sir Francis Hincks wished to refund some sums which had not been expended.

155. Were they refunded in one sum?—Yes; and Sir Francis Hincks' account is afterwards covered by these two sums.

156. These two sums were the sums received?—He received them afterwards. He directed the amount to be charged against himself and credited to the Fund.

157. His first direction was to credit the Secret Service Fund with this \$15,584 and to charge him with it?—Yes.

158. And then he was reimbursed by these two sums drawn from it?—I cannot say just now; I think there are warrants for them.

159. Were they drawn from the Secret Service Fund?—No. This exhibit which I have rendered to-day shows precisely the statement contained in our books.

160. Then, as I understand it, the Secret Service Fund was added to by this \$15,584, which, in the first instance, was charged to Sir Francis Hincks' private account with you?—Yes.

161. And in respect of which charge he was subsequently reimbursed by two cheques, drawn for an amount corresponding to that sum—the dates and sums being February 11th, \$3,784, and July 15th, \$11,800?—Quite so, Sir.

162. Were there warrants for these two sums?—I think so.

163. That would apparently represent the augmentation of the Secret Service Fund by the aggregate of these two sums?—It does so.

164. But from what public service that \$15,584 came you cannot tell?—I think there were warrants for it. The warrants are public, of course, and they will show that.

165. Were accounts rendered from time to time with reference to this special account?—Yes; on several occasions, and a statement of the exhibit of the books and the vouchers were surrendered to Sir John Macdonald.

167. Accounts were rendered on several occasions—at regular intervals?—No. they were rendered just when they were asked for.

166. From time to time?—Yes.

168. Was the account ever closed and the balance carried forward, or did it stand just as it appears here?—It stood just as it appears there. The balance was carried forward in the books after each transaction according to the usual banking fashion. That is the only difference.

169. But you never balanced the account?—No.

170. But from time to time you rendered accounts to the Minister of Justice?—Yes.

171. These accounts, however, were not accompanied by the vouchers?—No.

172. On two occasions, your letter says, you rendered vouchers?—Yes; on the 5th of March, 1873, if my recollection serves me right, and again about August of the same year. There was only one voucher after that.

173. You rendered all the vouchers up to March, 1873?—Yes. I sent all the vouchers to Sir John Macdonald—every voucher and order connected with the matter, and every document that related to it.

174. Was there anything more than the cheques?—Sometimes letters accompanied them for special purposes. I will mention when it was that letters so accompanied them. Sometimes during the summer, Ministers were not here, and only one was sometimes here, and the exigencies of the Service required the issue of a cheque when two signatures could not be obtained. And, under such circumstance, an order sometimes came for the disbursement of money on a single signature, until such time as another could be got.

175. The Government disbursed money on a cheque signed by one Minister, when it was accompanied by a letter stating that it was required for the public Service, and that another signature would be obtained?—Yes.

176. That signature would be subsequently secured?—Yes.

177. Was it the system to replace it by another cheque?—Sometimes it was replaced by another cheque or another Minister signed it. Of course I got a letter to shew that it was requisite.

178. When you speak of other papers these were the accounts or papers you mention?—Yes. The letters were to show my authority for disbursing the money.

179. Were there many such circumstances?—Not very many. They occurred sometimes in summer when only one Minister was in the capital.

180. Does the account show the heading as it is in your books. The heading in one case is "Sir John A. Macdonald *et al.*?"—The memorandum of the original account is in the names of the Ministers referred to.

181. Is this a transcript of the heading?—The first heading "Sir John A. Macdonald *et al.*" was never kept on. It was understood.

182. Here is No. 2 Special Account, which commences in June, 1868, and I find at the head of it, "Bank of Montreal in Account with the Minister of Justice *et al.*" and this, added in brackets, "Sir John Macdonald, Attorney-General; Sir John Rose, Finance Minister; Sir George E. Cartier, Minister of Militia, and Hon. W. P. Howland, Minister of Inland Revenue." Is that the heading?—That was the heading on the first opening of the account. The cheques were signed by any two of these Ministers.

183. That is not the heading of the account in the books?—It was just carried on in the books "Sir John A. Macdonald, Minister of Justice, *et al.*"

184. Is this heading at the opening of the account?—Yes, Sir, that is the heading.

185. The whole of what I have read?—Not the memorandum. This memorandum was put on the side of the account.

186. What is the heading then?—I think it is just "Sir John A. Macdonald, Minister of Justice, *et al.*"

187. What I want to know is nothing else, at this moment, than the heading of the account as it appears in the books, and no further explanation. You will confine your answer to the explanation of what is the heading in the books of this No. 2 Special Account, opened in June, 1868?—My recollection, if it serves me aright, is that the heading is "Sir John A. Macdonald, Minister of Justice, *et al.*" but under that—

188. Is that all?—Under that is placed the names of such members of the Government any two of whom were likely to sign the cheques.

189. The whole of that would be the heading of the account?—I presume so. Allow me to say that it is carried forward in the ledger—

I am speaking of the heading of the opening of the account?—I think it is.

190. You think that the whole of this was the heading of the opening of the account?—Yes.

191. It is not exactly as you state here, "The Bank of Montreal in account with the Minister of Justice, *et al.*" is mentioned here?—Yes.

193. You state that it is the "Minister of Justice, *et al.*?"—I think it is "Sir John A. Macdonald."

194. That is, merely the "Minister of Justice?"—I think it is "Sir John A. Macdonald."

195. Perhaps you will supply us with the exact heading of the account?—I will.

195. Can you speak as to the heading of No. 1 Special Account—the other account—more positively than to No. 2?—I think the heading is "Sir John A. Macdonald, *et al.*"

196. Perhaps you will also supply the precise heading of that account?—I will.

197. I understand, however, that both accounts through the various ledgers have no new headings?—My impression is they have.

198. You have said something about two Ministers signing cheques—was there any written authority on the subject?—I think it was a verbal authority I got.

199. From whom did you receive it?—I think it was from Mr. King himself, the former General Manager of the Bank.

200. He told you to pay the cheques when any two of the Ministers whose names were at the head of the account signed them?—Yes.

201. There was no written authority on the subject?—Not that I am aware of; not that I have any recollection of.

By Mr. Smith (Selkirk) :—

202. Did that not appear along with the names of these gentleman on the signatures of any two of whom money was to be paid?—Of any two of them that is in the heading.

By Mr. Blake :—

203. Is that in the heading of the account?—Yes.

204. Then there is a great deal more there than appears here?—Yes; it is in the memorandum.

205. It will be important to have that memorandum. You will give a transcript of it from the books?—I will try to do so.

206. Was the authority upon which the memorandum was made a verbal direction from Mr. King?—I think so. I have no other recollection about it.

207. I observe that in this No. 1 Special Account there are several names mentioned—"Sir John A. Macdonald, Sir George E. Cartier, Hon. Mr. McDougall, Sir Alexander Galt, Sir Francis Hincks," five names in all?—That was because some succeeded to others who retired.

208. When a Minister who filled one of the offices named was succeeded by another, you put in the name of his successor?—I put in the names in their official capacity.

209. So you knew at any time what two of the four Ministers were entitled to draw money?—Quite so.

210. And, of course, when one of these persons ceased to be a Minister, he ceased to have authority to draw?—Quite so.

211. For example, I observe that Mr. McDougall's name is entered and apparently scored out?—No. A pen was just drawn through it, and it was filled up afterwards.

212. Mr. McDougall would no longer be recognized after he ceased to be a Minister?—I do not think that he ever signed any of the cheques.

213. That is immaterial. Somebody else was to be found instead of Mr. McDougall, and he ceased to be recognized when he was no longer a Minister?—Quite so.

214. Your understanding was that these cheques were to be drawn by those gentlemen who happened to be Ministers filling these offices, or any two of them?—Or any two of them; as I said before, money was sometimes paid out when only one of these Ministers was present in the capital.

215. This was not done unless in case of emergency, and you took the responsibility of paying the money on receiving a letter from one of them?—Yes.

216. You never acted without the signature of one of the Ministers?—No.

217. Or without the signature of one of the Ministers in charge of the fund?—Yes.

218. How did it happen that you acted upon the signature of Sir John A. Macdonald, in 1875, with respect to the payment of the \$6,600, when he was no longer a Minister?—I got instructions from Mr. Langton on the subject.

219. Who told you to recognize Sir John Macdonald's cheque?—Mr. Langton; that is my recollection of his letter.

220. It was from a letter was it?—Yes. I cannot find the letter. These were my instructions: He said Sir John Macdonald had satisfied him that there was an unliquidated claim of \$6,600, which I might pay to him and place the balance to the credit of the Receiver-General.

221. You had a letter from Mr. Langton on or about the date of the payment?—I received it on the 4th of November.

222. And the 12th of November is the date of the payment?—Yes.

223. That is, eight days before the payment you received a letter from Mr. Langton, for which you have searched, and which you were unable to find?—Yes.

224. And to the best of your recollection the contents of the letter were that

Sir John Macdonald had satisfied him that this claim was unliquidated, and that he was entitled to receive that amount; and that the balance of the \$32,000 was to be paid to the Receiver-General: so that it was only on that statement of this officer that you recognized Sir John Macdonald's cheque?—Quite so.

225. Otherwise, you would not have recognized the cheque on the principles you have laid down?—Yes.

226. And that letter is mislaid?—I haven't it, but I daresay Mr. Langton has a copy of it.

227. You have searched for it?—I have searched for it, but I have not found the letter which Mr. Langton wrote me. I find, however, that in a letter written to him on the 23rd of November, I referred to his letter. There was no other transaction in connection with this account since the resignation of the late Ministry. I informed him, I see by my letter, that there had been none from June, 1873, until the 12th of November, when it was closed by his instructions in his letter of the 4th of November.

228. It was upon this authority from the Auditor-General that you recognized Sir John Macdonald's right to draw this money?—Yes.

229. Which right you would not otherwise have thought existed?—No.

230. The Special Account No. 2, as well as the Special Account No. 1 is a transcript from the books?—They are both transcripts.

231. That account was carried straight on until it was closed?—Yes; until closed.

232. No. 2 Account was closed in October, 1869?—It was closed then.

233. No expenditures out of the \$3,395.83, which remained over on the 1st of July, 1867, out of the \$50,000 from the vote of the old Province of Canada, were charged to the Special Account No. 2?—No.

234. As appears from the account itself, all expenditures seem to have been charged against Special Account No. 1?—Yes.

235. As far as you are concerned, you had nothing to do with placing it to credit?—It was always to credit.

236. In point of fact, you continued the old Account of 1866. A sort of new Account was opened in 1868-9, and in 1870 you continued the old Account?—Yes.

237. How did you come to continue the old Account instead of carrying on Account No. 2?—I think some instructions were given about it. The one was entered in the name of the Minister of Justice and the other was termed the Secret Service Fund.

238. The old Account related to the Ministers of the old Province of Canada and not to Ministers of the Dominion at all?—Of course we have no distinction in our books between before and after Confederation. We had no orders to make any.

239. Meanwhile you speak of the Account of 1866?—It was always going on simultaneously with the other Account. There were two distinct accounts.

240. There is a jump from July 27th, 1867, to 1870. You say both accounts were going on contemporaneously?—Yes.

241. Was any reason given for that course of merely carrying on both accounts?—I must have had directions for doing so, but I have no recollection about it just now as to whether they were verbal or otherwise.

242. Did you furnish a statement of the balance remaining at the close of each fiscal year?—No, we did not. Of course, we rendered balances whenever they were wanted, but I do not recollect that there was any particular period for doing so.

243. As far as your recollection serves you, it was not at that time that balances were asked for?—No.

244. You rendered, I suppose, the balances of all other accounts?—All these accounts are balanced.

245. Then this account came to the 30th June as well as other accounts?—The balances of other accounts are rendered every month.

246. You have no papers of any description connected with this account?—None.

whatever, except with regard to the closing of the account. I have the cheques passed in that connection.

247. Those you have?—Yes.

248. Have you them here?—I think I have, Sir, cheques handed in and fyled, marked 10 and 11.

249. Those you now produce are the two cheques which closed the Account?—Yes; one is drawn to the credit of the Receiver-General, and the other to the credit of Sir John Macdonald. You will see the endorsements.

By Mr. Macdonald (Centre Toronto):—

250. You had, I presume, the signatures of each of these Ministers; they furnished you with their signatures?—I knew them all, Sir.

By Mr. Blake:—

251. You had all the signatures in your book?—I presume they are there, but I had them all, I certainly knew the signatures of them all who drew money.

By Mr. Kirkpatrick:—

252. There is no date to the statement which is in the handwriting of the Accountant of the Bank—when was it furnished?—It was furnished about three weeks ago.

253. You say that Sir John Macdonald had no control over this fund after the resignation of the late Ministry?—No.

254. And you would not have paid the \$6,600 unless you had received the letter from the Government by the Auditor-General authorizing it?—Certainly not.

255. Do I understand that you would not have paid this \$6,600 unless you had had the authority of the Government as expressed by the Auditor-General?—No, Sir.

The following is the statement prepared by the Accountant:

(12.)

DR. BANK OF MONTREAL in account with Hon. John A. Macdonald, et al. Cr.

1866.		\$	cts.	1866.		\$	cts.
Aug. 7	Deposit.....	50,000	00	Aug. 7	Cheque.....	28,000	00
					do	500	00
1870.				Sept. 19	do	500	00
July 6	do	30,000	00	Oct. 1	do	200	00
Dec. 9	do	10,000	00	Nov. 9	do	500	00
				do 14	do	200	00
1871.				1867.			
Feb. 11	do	3,784	00	Jan. 12	do	50	00
July 15	do	11,800	00	do	do	100	00
do 3	do	35,000	00	do	do	1,001	17
				May 9	do	50	00
				June 6	do	500	00
				July 27	do	70	00
				1869.			
				Oct. 18	do	1,130	29
				do 20	do	1,000	00
				1870.			
				Jan. 14	do	1,000	00
				March 10	do	1,000	00
				do 23	do	200	00
				May 19	do	500	00
				do	do	1,900	00
				do	do	300	00
				June 27	do	400	00
				do	do	2,500	00
				do	do	150	00
				July 2	do	2,600	00
				do 4	do	1,050	00
				do 6	do	21,834	00
				Aug. 30	do	25	20
				Sept. 19	do	230	00
				Oct. 18	do	2,500	00
				do 18	do	600	00
				Dec. 5	do	2,980	00
				do 5	do	500	00
				1871.			
				Jan. 21	do	749	30
				Feb. 11	do	4,600	00
				Mar. 6	do	180	00
				June 5	do	250	00
				Sept. 11	do	425	00
				Dec. 27	do	1,000	00
				1872.			
				Jan. 23	do	2,100	00
				Mar. 12	do	50	00
				Oct. 17	do	10,000	00
				1873.			
				June 27	do	5,000	00
				1875.			
				Nov. 12	do	6,600	00
				do 12	Transfer to Receiver-Gen- eral.....	25,579	04
		140,584	00			140,584	00

Cheques were signed by any two of the following-named Ministers in their official capacity.

JOHN A. MACDONALD,
GEO. E. CARTIER,
W. McDOUGALL,

A. T. GALT,
F. HINCKS.

MR. LANGTON recalled and further examined :—

By Mr. Blake :—

256. You heard the statement of Mr. Drummond just now with reference to the authority under which this charge for \$6,600 was honoured by him. Did you write him a letter on the 4th of November?—I wrote him a letter about that time. I cannot remember the exact wording of it, but I can bring a copy of it.

256 (a). Just state your recollection of it?—I distinctly recollect that I instructed him to make the deposit, but as to paying the \$6,600, I will see about that; I will bring the letter.

Mr. Langton having produced his letter book, was further examined as follows :—

By Mr. Blake :—

257. Have you a copy of the letter with you?—Yes.

258. Will you read it?—It is as follows :

(13.)

“ November 4th, 1875.

“ MY DEAR SIR,—I had an interview with Sir John Macdonald before I left Ottawa, in which he explained to me that the balance of Secret Service standing in his name, was \$32,179.04. Of this, \$6,600 is pledged for certain expenses incurred before the resignation of the late Ministry, and he wished the balance to be deposited.

“ Be good enough, therefore, to deposit the \$25,579.04 to the credit of the Receiver-General, and send me a duplicate and triplicate of the deposit.

Your obedient servant,

(Signed)

JOHN LANGTON,

Auditor.

A. DRUMMOND. Esq.

259. What is the date of the letter?—November 4th, 1875.

260. I observe you say “before I left Ottawa.” Had you been absent?—I had been absent in Montreal, and on return I wrote that letter.

261. When did the interview with Sir John Macdonald take place?—A few days earlier.

262. In the meantime I understand you to say you went to Montreal and returned after a short visit, and that to this business the words “before I left Ottawa” alluded?—Yes.

263. This is the only letter authorizing this transaction, if it did authorize it?—Yes.

264. I think you subsequently mentioned this receipt of money to Mr. Mackenzie?—Yes, I did.

265. When?—I think it was somewhere about that time. I can easily see by reference to the letter-book.

266. You found by reference to the letter-book, when you had that interview?—Yes. On the 23rd of November I wrote to Sir John Macdonald, telling him that I had had an interview with Mr. Mackenzie, to whom I had explained the matter.

267. How long before you wrote the letter did that interview take place?—I cannot say. Almost immediately after the deposit of the money I went to Mr. Mackenzie and told him that we had received a large deposit, and that I must explain the circumstances.

268. Almost immediately after the deposit you went to Mr. Mackenzie and explained the circumstances under which the deposit was received?—Yes.

269. And then Mr. Mackenzie made a certain statement upon which you wrote a letter to Sir John Macdonald on the 23rd of November?—Yes.

270. Have you a copy of that letter?—Here it is.

271. Will you read it? It is as follows:—

(14.)

“November 23d, 1875:

“MY DEAR SIR JOHN,—When I mentioned to Mr. Mackenzie the other day the receipt we had had from you on account of Secret Service money, he requested me to call your attention to a resolution of the Committee on Public Accounts, which was submitted to the House, and which you will find at page 173 of the Journals of 1872. I doubt whether there was any expenditure for Secret Service after that date, as I learn from the Bank of Montreal that the present balance had remained untouched for upwards of a year before the resignation of your Ministry. But Mr. Mackenzie intimated that he would expect a statement to be made of the payments made out of the \$6,600 which you withhold as already pledged in accordance with that resolution.

I remain, yours truly,
(Signed)

JOHN LANGTON,
Auditor.

The Hon. Sir J. A. Macdonald.

272. Did you not get a reply to that letter?—I did, and I sent it to Mr. Mackenzie. This is the letter:—

(15.)

“TORONTO, November 30th, 1875.

“MY DEAR LANGTON,—I have yours of the 23rd, which absence from home has prevented me from acknowledging before.

I do not think that the fund at my disposal comes within the resolution you refer to; but I shall wait on Mr. Mackenzie and explain the matter to him on the first opportunity. I would have done so had he been in Ottawa when I was there, but he had gone to the Maritime Provinces.

Yours very truly,
(Signed) JOHN A. MACDONALD.

JOHN LANGTON, Esq.,
&c. &c.

273. Then I understand from these letters, that having written on the 4th of November to Mr. Drummond the letter of that date, and the transaction having been completed by Mr. Drummond, you saw Mr. Mackenzie and informed him of the receipt of this deposit?—Yes.

274. And on that information he made a suggestion to you which resulted in your writing the letter of the 23rd November to Sir John Macdonald?—Exactly so.

275. Was Mr. Mackenzie the first Minister you informed of the matter?—He was the only one I informed of it; my chief was absent at the time.

276. Mr. Mackenzie was the only Minister to whom you communicated it?—Yes.

277. Then the transaction was completed without the intervention of any of the Ministers of the Crown?—Yes.

278. The deposit was received, and the transaction took the shape it did, and when it was done, Mr. Mackenzie and the Government were made aware of it?—Yes.

279. Mr. Drummond says that he was authorized by you to accept Sir John Macdonald's cheque for this money?—I authorized him to accept the cheque to refund it, but I did not say anything about the \$6,600 which had been pledged.

280. Did you intend to authorize him?—I did not say anything about it. I did not conceive it was my business to do so. It was for him to decide how to dispose of it. It appears to me that if the money was pledged, Sir John Macdonald should withhold it, but as to the money which was not pledged, he should have proceeded to have deposited it.

281. I was asking you whether you intended to authorize the cheque of Sir John Macdonald, who was no longer a Minister, on an account, which could only be drawn by Ministers?—It was no business of mine to do so.

282. And you did not intend to take that responsibility on yourself?—No.

By Mr. Kirkpatrick:—

283. You said that Sir John Macdonald told you a few days before the resignation of his Ministry, that this money was there?—He told me that there was a balance of Secret Service money remaining in hand, but I had no idea as to how much it was. He said he had some difficulty about some unsettled claims which he did not know how to deal with.

284. You were satisfied, you also say, that if Sir John Macdonald was liable for the \$6,600, he ought to withhold it?—It is not exactly for me to say whether this should be done or not. I thought it was natural enough that if he had withheld the money all this time because he could not settle the account, that he should still withhold it and deposit what was in no way pledged; but as to the way in which the money was to be paid, that is another matter.

285. You agreed with Sir John Macdonald that he should withhold it?—I agreed that he should deposit what was not pledged.

286. But what was pledged that he should keep?—That was his responsibility.

287. You agree that according to the present custom of keeping the Public Accounts, that it was correct?—I agreed to the deposit of what was not pledged. I had no possible means of knowing what the pledge was; that was his responsibility and his only; but, as I said before, if it had been a matter so deeply pledged that he had kept it for two years, I did not see any great harm in his keeping it for another month or so and making a proper settlement. But the deposit I distinctly authorized.

288. Sir John Macdonald told you what was the exact amount?—Judging from his letter, I presume he did so.

289. You stated in your first examination that he told you the exact amount and made no secret about it?—He consulted with me about it.

By Mr. Goudge:—

290. Did you write or tell Mr. Drummond to pay this \$6,600?—I do not think that I did. There is my letter. I authorized him however, to make the deposit.

291. Mr. Drummond would not have paid it without your authority?—I have no recollection of saying anything at the time. I do not think that I authorized anything to be paid having a doubtful source. My own opinion is that I consulted with some one before it was paid. As to the balance which was not pledged, I thought it should be paid in at once.

RAILWAY COMMITTEE ROOM,
OTTAWA, Tuesday, 20th March, 1877.

Committee met—Mr. YOUNG in the chair.

Mr. DRUMMOND, being called, produced the following transcript:—

Transcript of Heading of Secret Service Accounts.

No. 1.

HON. J. A. MACDONALD, *et al.*

Cheques signed.

J. A. MACDONALD,
G. E. CARTIER,

W. McDUGALL,
A. T. GALT.

} Official capacity.

No. 2.

MINISTER OF JUSTICE *et al.*

Cheques signed.

J. A. MACDONALD, J. ROSE, —Attorney-General—Finance.
 G. E. CARTIER, W. P. HOWLAND, —Minister Militia —Inland Revenue.

Mr. DRUMMOND was then further examined :

By *Mr. Blake* :—

292. As these transcripts are now prepared with these marks upon them they are true copies of the headings of the accounts; that marked No. 1. is a true copy of No. 1?—Yes.

293. That marked No. 2 is a true heading of No. 2?—Yes.

The following letter was then handed in :—

(17.)

BANK OF MONTREAL,
 OTTAWA, 3rd November, 1875.

MY DEAR SIR,—The balance of credit of the Special of Sir John A. Macdonald in this Branch is \$32,179.04.

In view of this being closed under the arrangements you may have agreed on with Sir John, please send me such official instructions as to its disposal as may be requisite to authorize me to carry out the same.

Yours very truly,

(Signed) A. DRUMMOND,
Manager.

JOHN LANGTON, Esq.,
 Auditor-General.

294. Would you look at that letter, Mr. Drummond. Is it your letter?—Yes.

295. Was this written on 3rd November, 1875, the day on which it is dated?—Yes.

296. Had you any prior communication with anybody on the subject?—Mr. Langton.

297. Verbally?—Yes.

298. How long before?—I think the day previous.

299. Would you state it?—It was merely that Mr. Langton mentioned that he had seen Sir John, and he had satisfactorily explained to him that the \$6,600 was pledged under the late Ministry; and, as I understood, he was entitled to it, and I was to pay the balance to the Receiver-General; but for my own record I asked Mr. Langton for the official letter, that I might retain it.

300. You were verbally requested in the first instance to carry out the thing by a deposit of \$25,000, and to give the other to Sir John Macdonald, and you thought it better, before doing so, to write an official letter in order to have an official response?—Yes.

301. What difficulty presented itself to you which made you think it necessary that there should be an official response?—Only that, that I had all along with Sir John, that in any payments to be made to him under the new Ministry, some official recognition should be given of the amount to be dispensed to him.

302. Ther Sir John Macdonald had been applying to you?—Yes; he came on the first Session after his resignation and mentioned that he had some payments yet to

make, and then he wished to close the account. I mentioned to him that I desired that any new payments under the new Ministry should be with the recognition of the new Ministry, and I supposed that he would see Mr. Langton, the Auditor.

303. He came to you at your office?—No; he merely mentioned incidentally that he intended closing the Special Account, but he had some claims that were unsettled at that time which he desired settled, and then he would do it. I then remarked to him that I thought it proper that any payments under the new Ministry should be with their recognition.

304. You would have no objection to depositing the amount to the Receiver-General. The question of difficulty was the depositing it or paying it over without the recommendation of the Ministry?—Yes, sir; and I suggested that he should see the Auditor.

305. To which he assented?—He at once assented.

306. That was during the first Session of the new Parliament?—Yes; the winter of 1873-4.

307. Parliament met in 1874?—Yes; it was some time during the first Session of 1874.

308. Did you hear anything at all more about it until this interview with Mr. Langton, which occurred about the 2nd November, 1875?—Yes; in that winter he called and made some statement, and that he would see Mr. Langton.

309. And did you make the same answer?—Yes; the difficulty arose altogether in his not seeing Mr. Langton, and giving him this official recognition of the payment he proposed to make out of this fund.

310. Then you had two visits from him?—Yes.

311. Was there another?—The next was when Sir John Macdonald had sold his house and had removed to Toronto. I got a private letter from him, an extract from which I submit. I can submit the whole letter if desired. He directed me to transfer the balance of his private account to him at Toronto, and that extract had reference to the special account.

The extract was then put in as follows:—

(18.)

Extract from letter 21st May, 1875, from Sir John A. Macdonald, at Toronto, having reference to Secret Service Fund.

I was in such a hurry in leaving, that I did not see the Auditor, so that the Special Account had better remain as it is till my next visit to Ottawa, which must be ere long.

Yours, &c., &c.,

(Signed) JOHN A. MACDONALD.

ANDREW DRUMMOND, Esq.,
Montreal Bank.

312. That is an extract from a letter written 21st May, 1875?—Yes.

313. What next took place after the personal communication?—The next that happened was the intimation of Mr. Langton that he had seen Sir John.

314. Did you make any enquiry as to whether any Minister had been consulted on the subject?—No; I presumed the difficulty had been removed.

Mr. Blake then showed witness the following letter:—

(19.)

BANK OF MONTREAL,
OTTAWA, 12th November, 1875.

DEAR SIR,—The Special Secret Service Fund Account has been closed in the manner authorized by your letter of 4th inst., by the accounting to Sir John A. Macdonald for \$6,600, the amount pledged by him as agreed with you, and transfer of the balance, \$25,579.04, to the credit of Receiver General, as per enclosed receipt No. 66.

Yours truly,

(Signed)

A. DRUMMOND,
Manager.

JOHN LANGTON, Esq.,
Auditor-General

315. And this is the enclosure?—Yes, sir.

(20.)

(No. 66.)

[Duplicate for Department.]

BANK OF MONTREAL.
OTTAWA, November 12th, 1875.

\$25,579.04.

Received from Right Hon. Sir J. A. Macdonald, on account of balance of Secret Service money, transferred the sum of twenty-five thousand five hundred and seventy-nine dollars and four cents, which amount will appear at the Receiver General's credit with this Bank.

Signed in triplicate.

(Signed)

G. S. ROBERTSON.
Pro Manager.

By Mr. Workman:—

316. When the account was opened your instructions were to pay only those cheques which were signed by two Ministers?—Yes; by two or more of the Ministers.

317. Well then, this cheque for \$6,600, as I take it, was not signed by a Minister at all?—It was not, but I had an official recognition, which I considered was equivalent under the circumstances. Sir John Macdonald was the only one left of the original parties named.

By Mr. Goudge:—

318. I observe that it is stated in Mr. Drummond's letter of the 16th March, that a statement of accounts was rendered on the 5th of March, 1873, to Sir John Macdonald at his request, and again about August of the same year, and that Mr. Drummond states that there are consequently no cheques in the possession of the Bank connected with the transactions excepting for the closing of the accounts. I wish to know if there are any entries in the Bank books that would show the names of the parties paid by these cheques?—No; there is no record of the names.

319. Were these cheques paid at the bank in this city?—I could not say as to that. They may have been paid at other branches of the bank and afterwards have come in to us. I believe most of them were paid here.

320. I observe that a number of cheques were paid in March, April and May, 1869. Do you know if any of these cheques came from the Province of Nova Scotia?—No; I do not.

Mr. Blake objected to any question being asked as to the destination of the money.

By Mr. Kirkpatrick:—

321. Have you anything by which you can fix it on your memory that Sir John Macdonald spoke to you about this during the Session of 1874?—Nothing, only that I have a very distinct recollection of its being some time after the resignation and during the Session. I cannot fix the month.

322. Did he come specially on that business; can you remember that? I could not say, because he had his own private account, and he may have consulted me about that. But he came down to our Bank and into my room, and mentioned it.

323. He told you he had some outstanding claims which prevented him from closing the account?—Yes.

324. Then he left here in May, 1875?—Yes; he went to Toronto at that time.

325. That was the time at which he called special attention to the account?—Yes.

326. And the letter of which you have given an extract was written just after he left for Toronto?—Yes; he had sold his house and was settling about his private account, and wished a settlement of the other.

By Mr. Blain:—

327. Did he mention the amount of these disputed claims?—I took it that at that time he did not know himself. He did not mention it at all events.

Mr. LANGTON was then called and stated: A question was asked about that entry-warrant transferring the balance of the old account before Confederation, and in the copy of the certificate which I sent to the Committee there was no date. The reason of this was that there were two warrants for the same day, and my certificate being on the same sheet of paper, of course the date was only at the bottom. Both were passed on the same day.

By Mr. Blake:—

328. What is the date?—The 18th of October, 1869.

329. You produce the original entry warrants?—Yes.

330. Of these, only one is applicable, as I understand it?—Both are. The first certificate "that a transfer entry warrant may issue charging Special Deposit Secret Service, and crediting Services of 1868 with \$8,398.83," the unexpended balance in the year 1866-67. The other, as I have already stated, was on the same paper, and charges "Miscellaneous," and credits the Special Deposit with \$33,103.88, the amount expended in the year 1868-69. I only brought these two in order to show how the date was missing.

331. The date of these is October 18th, 1869. I think you were asked to ascertain whether they came into the accounts of the old Provinces?—I stated that I could show that the late Province had credit for it. I have since looked into it and find that the late Province did get credit for it.

332. State where that is to be found. Is it to be found in the Public Accounts?—In the statement of affairs for 1867 it will appear that the banking accounts amounted to (amongst the liabilities) \$3,209,163.85. Included in that were the Crown Lands expense account, \$112,748.63, of which the Provinces agreed to assume their share, so it was left out of the account of the public debt. If you deduct that \$112,748.63 from the total of the banking account it will leave a balance of \$3,096,415.22, which you will see by the accounts of 1868, Part III., page 7, was charged against the Province as part of its debt.

333. As an adverse bank balance?—Yes—charged against the Province as part of its debt. One of the items in the amount charged to them was Service of 1868,

\$50,211.95. That amount consists of several items, some on one side and some on the other, and amongst those deducted from that amount was this Secret Service money, \$8,398.83.

334. Does that appear in the printed accounts?—Only that balance of \$50,211.95 which was charged against the Province is shown in the Public Accounts. In looking into the matter, as to what they consisted of, I found some \$62,000 on the one side and three smaller entries on the other; amongst the rest the \$8,398.83; so that amount was deducted from the banking account charged against the Province.

335. Have you the transcript of that?—Yes.

Transcript put in as follows:—

(21.)

EXTRACT FROM LEDGER.

SERVICES of 1868 for the late Province of Canada.

	\$	cts.		\$	cts.
Secret Service.....	8,398	83	Customs Expenditure.....	1,600	00
Penitentiary.....	668	04	Militia.....	33,057	70
Education.....	2,758	13	Civil Government.....	13,992	61
Balance.....	50,211	95	Education.....	7,386	64
	\$62,036 95			\$62,036 95	

336. And can give the reference to the portions of the Public Accounts which are necessary to explain it?—It will be seen by the statement of affairs of 1867, at page 2, Part 1, that the balance of the banking account was \$3,209,163.85, and if from that is deducted the Crown Lands balance account, which was not included in the public debt, the balance will be found to be \$3,096,415.22 against the late Province of Canada, as appears in the Public Accounts of 1868, Part 3, page 20. Then again, if you refer to the accounts for 1867, you will find amongst the items consisting of bank accounts, on page 2, Part 1, one of \$50,211.95, as I have already stated.

337. How is this properly headed?—Extract from Public Accounts.

338. No; but the other?—That is an extract from our ledger.

339. But what account?—Services of 1868.

340. Services of the late Province?—Yes; the other statement which I put in shows that that amount was afterwards carried forward and so deducted from the other things charged against the Province.

341. Then the practical result was that Canada, the Dominion, paid during the first year of the existence of the two Provinces, certain sums for the services of the two Provinces?—Yes, during the last few days of the years, some things are brought in under the head of Services of 1867 and 1868.

342. The Dominion having paid for the Province, money for the other services, of course the Province was charged with that amount, and against that it was credited with the several items, Secret Service, Penitentiaries and Education, which reduces the amount chargeable to \$50,211.95, with the balance in the statement?—Yes; in fact, the late Province may be said to have paid that amount for Penitentiaries and that amount for Secret Service.

343. Then the practical result was that the public cash of the Dominion had been expended in producing this more favourable balance to the Province of \$50,211.95?

—No; I mean at the end of the year 1867 there was this amount paid over into the Dominion Treasury, and the Province got credit for it.

344. Which amount?—The \$8,000.

345. This amount was paid over, for which the late Province got credit, and it remained in the hands of the Receiver-General as paid cash?—Yes; that is how it was treated.

346. I know that, but we are speaking of it before it was utilized as a Secret Service Fund?—It was paid over in 1867 to the Receiver-General as a special account, and there was remaining of it at the end of the year this amount, which remained in the control of the Dominion, and therefore the Province got credit for it.

347. It remained with the Dominion as a Provincial balance?—It remained in the Dominion Exchequer and the Dominion gave the Province credit for it and there was an end of it so far as the Province was concerned.

348. Because the Dominion gave credit for it as so much cash?—Yes, as so much cash; then the Dominion added it to the Secret Service Fund of the Dominion some years afterwards.

349. Then there was something asked about two deposits in the Bank of Montreal?—They both of them were from the same expenditure on account of the insurrection losses in Manitoba. The money had been paid in advance before the thing was finally settled; and, therefore, when the thing was settled these amounts were refunded to the Secret Service. These are the Orders in Council:—

(22.)

Copy of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council, on the 14th February, 1871.

On a memorandum dated 14th February, 1871, from the hon. the Minister of Finance, reporting that the Manager of the Bank of Montreal has advanced under his directions the sum of three thousand seven hundred and eighty-four dollars (\$3,784.00) to pay the expenses of various delegates employed at the request of this Government in connection with the difficulties in the Red River Settlement in 1869-1870, and recommending that a warrant issue in favour of A. Drummond, Esq., Manager of the Bank of Montreal in Ottawa, for the amount stated, the same to be charged against the vote for the opening up of communication with the North-West.

The Committee advise that a warrant issue accordingly.

Certified.

(Signed)

Jos. O. COTÉ,
Assistant Clerk, P. C.

(23)

Copy of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor-General in Council, on the 10th July, 1871.

On a Memorandum dated 6th July, 1871, from the Hon. the Minister of Finance, requesting that a warrant may issue in favour of Andrew Drummond, Esq., Manager of the Bank of Montreal, to cover advances made by his direction for the following services, viz:—

Dr. Schultz.....	\$11,000
Dr. Schultz for sending Refugees from Manitoba.....	500
Dr. Lynch.....	300
	\$11,800

which amount should be charged against the vote of last Session of Parliament for paying losses sustained by the sufferers in Manitoba.

The Committee advise the issue of a warrant in favour of Andrew Drummond, Esq., for \$11,800 as recommended.

Certified.

(Signed)

Jos. O. CORN,
Assist. Clerk, P. C.

To the AUDITOR.

350. Then as I understand your explanation, these two sums were originally drawn through Sir Francis Hincks from the Secret Service fund and were subsequently refunded from that fund and charged to another appropriation which was made by Parliament?—The Bank of Montreal refunded the amount.

351. You were not aware that it was advanced out of the Secret Service Fund before; you thought it was advanced by the Bank at the request of a Minister in a case of emergency?—Yes.

352. Would you refer to the Public Accounts of 1872 and find the accounts that cover those amounts. One was in February, 1871, and another was in July, 1871, so that they will probably appear in different years?—Yes, but in the meantime, not to detain the Committee, I can go on with anything else.

353. It seems, from the statements put in, that so far as the others are concerned, this transaction of the re-deposit was opened by a letter from Mr. Drummond to you on the third of November, in which he points out that the balance at the credit of this special of Sir John is so much, and he says "in view of this being closed, please send me such official instructions as may be requisite." Had you had any verbal communication with Mr. Drummond prior to this?—Yes, I had a conversation with him.

354. More than one?—I cannot recollect. I know I had a conversation with him.

355. Long prior to this letter?—No. I only recollect it just on that occasion.

356. Will you state what that conversation was?—I cannot recollect exactly what it was, but my impression was that if this money had been really pledged by the Government, I thought Sir John had a right to retain that money on hand so that it might be available in a proper way. As to how it was to be got that was nothing to me; but I thought that in the meantime the balance ought to be refunded if there was no claim upon it.

357. Had you any conversation with Mr. Drummond before the writing of this letter, suggesting to him to allow Sir John Macdonald to cheque out a certain portion of that money and deposit the balance?—I am sure I could not have recommended him to do that, for it did not appear to me that that would be the correct thing to do without further information.

358. You thought it would be all right to pay in whatever could be got in?—Yes; I thought so.

359. Was it your idea that Sir John Macdonald, or the other late Ministers could cheque out this money?—I don't think they could.

360. Was it your idea then?—I don't think it could have been; but it is a difficult thing for me to recollect conversations which took place so long ago. I recollect a conversation with Sir John, and that he thought of consulting Mr. Mackenzie on the subject.

361. Was it your idea at any time, from the first time that it was mentioned, that this account to the credit of the Ministers in their official capacity could be chequed out by one of them?—No; I don't think it was.

362. And you do not think so to-day?—No; but I thought if the late Ministry were in any way pledged, it might be right to let it remain in that special fund and not pay it out.

363. If Sir John Macdonald, as an ex-Minister, could not cheque this out, would it not be because he had no control over it? It was the Minister of Justice, and not the individual who could cheque it out I expect; I could cheque it out, but not he. Did you think he would cheque it out?—No, I did not, I have a recollection of his saying that he would consult Mr. Mackenzie on the subject.

364. You therefore suggested to Mr. Drummond that Sir John could cheque it out?—Mr. Drummond must have misunderstood me as to that.

365. Well, I understand you that you instructed him on the 4th not to accept Sir John Macdonald's cheque, but to deposit the \$25,000 to the credit of the Receiver-General?—I instructed him to deposit the balance to the credit of the Receiver-General, but I don't think I said anything about the cheque.

366. That was upon the theory that that \$25,000 was under the control of the Government?—Yes, that it was Government money, and ought to be paid in.

367. You did not intend then that Mr. Drummond should honour Sir John Macdonald's cheque for any portion of the fund to be paid out?—No. I did not give any instructions about that.

368. On the 12th November it seems that Mr. Drummond wrote you a letter, which has been read this morning, in which he says that the Special Fund has been closed by the handing to Sir John Macdonald of \$6,600, and the transferring of the balance to the credit of the Receiver-General. Mr. Drummond intimates that he accounted to Sir John Macdonald for this \$6,600. Did you remonstrate with him for doing so?—I do not recollect; in all probability I took the deposit which was inside it without making any enquiry about the rest.

369. You did not make any enquiry about the accounting with Sir John Macdonald for this \$6,600?—No.

370. You did not intend that he should account for this \$6,600?—No.

371. And you do not think it would be a right thing for him to do?—No; and I took an early opportunity of communicating with Mr. Mackenzie as to the circumstances.

By Mr. Smith (Selkirk):—

372. Did you suggest to Mr. Drummond any other course by which the amount of \$6,600 could be appropriately paid over to the Dominion?—I did not suggest any other course. My own feeling was that Sir John Macdonald could communicate with Mr. Mackenzie in the meantime.

By Mr. Blake:—

373. Your idea was that the money should be left to the credit of the fund until the Ministers had been consulted before anything should be done and you had evidence of the money being appropriated?—No.

By Mr. Kirkpatrick:—

374. Do you know how the account stood in the Bank?—No.

375. Then you did not know who had the right to cheque out the money?—Yes; I knew the money had been paid in to the credit of the late Ministry.

376. I asked you as to how the account stood in the Bank and as to who had the right to cheque out the money?—The late Ministry had the power up to the time of their resignation; and when their resignation came, it became a question what was to be done. My own opinion was that they had no right without consulting their successors.

377. Did you think that Sir John Macdonald had the right to cheque out the \$25,000 to the credit of the Receiver-General?—I said to Mr. Drummond that he might accept Sir John's cheque to pay back the money to the Dominion.

378. If you could accept his cheque in that one case, why could you not do so in the other?—There was a material difference in the two cases. In the one, he was paying away money belonging to the Dominion, and in the other, he was paying to the Dominion money belonging to itself.

379. Were you asked for instructions by Mr. Drummond?—I cannot exactly say. He may have asked me for instructions, but I cannot pretend to recollect. I am certain that I did not give him instructions to accept Sir John Macdonald's cheque.

380. Did you forbid him?—I would not say that I did, but I cannot pledge myself to remember exactly whether I did or not.

381. Were you informed by Mr. Drummond that he had given this money to Sir John Macdonald?—I knew almost immediately afterwards, and took the earliest opportunity of informing Mr. Mackenzie of the position of affairs. There is a letter here showing my conversation with Mr. Mackenzie, and the subject of the message he sent to Sir John, and my letter to Sir John, saying that I thought he was bound to account for what he had been doing.

382. You did not notify Mr. Drummond that he had paid away the money of the Dominion without instructions?—No.

383. If you had thought that he had done so, would you not have considered it to be your duty to notify him of that fact?—There might be a difference of opinion upon that. I don't think I notified Mr. Drummond.

384. If you knew he was paying away the money of the Dominion without authority, would you not have protested against it; would you not, as a public official, have considered it to be your duty to protest against it?—Allow me to say that this money was in an entirely different position from the ordinary cash in the Bank of Montreal.

385. The question is this: if you knew that Mr. Drummond was giving away the moneys of the Dominion without authority, would you not have protested against it?—I was just about to answer that question by saying that this money was in quite a different position from the ordinary cash in the Bank. If I had found him paying the ordinary cash in the Bank of Montreal, I should most decidedly have remonstrated; but this was a special account, with regard to which there might be difference of opinion as to how it should be dealt with; so, instead of remonstrating with him, I took the earliest opportunity of informing Mr. Mackenzie.

386. Then this was not the ordinary money to the credit of the Dominion?—No; it was a special account.

387. And it was apparently to the credit of Sir John Macdonald?—No; it was to the credit of Sir John Macdonald, Minister of Justice, and others.

By Mr. Smith (Selkirk):—

388. Was it in Mr. Drummond's office, in the office of the Bank of Montreal, or in your office, that this conversation took place?—There was hardly a day that I did not see him, and I cannot tell where it occurred.

389. Had you the particulars of this account before you when this conversation took place?—No; I knew nothing of the account on the occasion of that conversation. I think I did ask what was the whole balance, but otherwise I did not know what the account was.

By Mr. Gibbs (South Ontario):—

390. Why did you say to Mr. Drummond, that he should receive \$25,000? Why didn't you say that he should give a cheque for the whole amount?—I have already stated two or three times that I thought Sir John was justified in wishing a sum to be reserved to meet certain claims which his Government had been pledged to, but was not justified in keeping anything more than was necessary to meet those claims, and I therefore recommended him to pay in all the balances after paying these claims. My instructions to Mr. Drummond were that there could be no difficulty in taking in the amount, exclusive of what was necessary to meet these claims.

By Mr. Wood:—

391. It was necessary for Sir John to give a cheque in order to transfer that amount?—No.

392. It would have gone to the credit of the Receiver-General without his intervention?—Yes.

By Mr. Gibbs (South Ontario):—

395. Was it necessary that the Bank should require a cheque?—No.

By Mr. Workman :—

394. Did it not appear to you that it would be better to communicate with some of the heads of Departments and inform them of that fact before giving instructions as to the disposal of the money?—My own Minister was absent in England or I would have communicated with him.

395. I suppose there is some gentleman acting for him in his absence?—I think Mr. Scott represented him.

396. Did it not appear to you, as an old public officer understanding your business thoroughly, that the proper course would have been to communicate with the Government?—I think I was quite justified in saying pay in the balance that is not wanted.

397. But you had a communication with Sir John Macdonald negotiating a certain amount, in which he mentioned that there was a certain amount that had to be reserved; you ought certainly to have communicated that fact to the Government?—Perhaps so, but my own Minister was away

By Mr. Blain :—

398. Why did not this sum appear in the Public Accounts until this year? Because it was not paid until 1875-6. It was not paid in time to appear in previous ones. Yes; but you were aware of this sum, and it did not appear in the Public Accounts before?—The conversation between Sir John and me and my conversation with Mr. Drummond, that has been alluded to, took place in October, and the money was paid in November of last year. I knew nothing about the amount. I simply knew there were unsettled claims before Sir John resigned, and some balance, but, so far as I knew, it might all have been paid away before they resigned. I had no control of the Secret Service moneys.

By Mr. Workman :—

399. But surely before Sir John's resignation he informed you that there were certain amounts of this money to the credit of the Government in the Bank of Montreal?—Before his Government resigned he spoke to me about the Secret Service money. I said he ought to pay over the balance, and he then told me that there were uncertain outstanding claims that he did not exactly know how to deal with.

400. After that communication, when you learned there was a balance at the bank, did you communicate with your chief or whoever was in charge of your department?—No; I don't suppose I did.

By Dr. Tupper :—

401. At what date did the first one take place?—Just before the resignation, or about that time.

402. Did you communicate with Mr. Drummond at that period in relation to that amount of money?—I had nothing to say to Mr. Drummond about it then.

Mr. DRUMMOND recalled, and further examined :—

By Dr. Tupper :—

403. What was the first communication between Mr. Langton and yourself with reference to this matter?—I communicated with Mr. Langton as soon as Sir John spoke to me on the subject.

404. At that time?—It was during the first session after the resignation, 1874.

By Mr. Blake :—

405. You mentioned the other day that you returned the vouchers on two distinct occasions. One time on the 5th of March, and the other time some time in August. Were they returned by letter?—Yes, to Sir John by letter in the first case, but not in the last case. On the last occasion Sir John called personally.

406. A copy of the letter can be produced?—Yes, sir.

407. It does not disclose anything as to the destination of the funds?—No, sir.

408. As to the second occasion, that was not by letter?—No, Sir.

409. Can you specify the date more accurately?—I could not at this moment.

410. You name August?—Yes.

411. Why?—That was my impression.

412. Was there any receipt for the vouchers?—No.

413. There was rather an exciting time in August; was it before or after that?—I don't remember.

414. You do not remember whether it was before the 13th of that month?—I do not.

By Mr. Smith (Selkirk) :—

415. When Sir John first spoke to you about this claim did you mention that it would be necessary to have the authority of the present Government?—Yes; I remarked that to him.

416. Have you any recollection of where the conversation took place, which resulted in Mr. Langton giving you a letter authorizing the deposit of the money. It was your understanding of that letter, was it not, that it was to cover the \$6,600 as well as the \$25,000?—Most distinctly, that was as I understood it. As to where the conversation took place, my impression is that Mr. Langton called on me at my office. I had also a conversation with him in his office, and I asked him for the letter specially then, in order that I might retain it as a record of what happened, though I was under the impression that everything was arranged satisfactorily, and that I was at full liberty to pay it even without the letter.

By Mr. Blain :—

417. How did you come to understand from this letter that you were authorized to pay over the \$6,600; that is not apparently the scope of the letter?—I thought I was authorized even outside of that letter, though I asked for the letter afterwards.

418. But how did you come to put that construction on this letter?—It was fully understood verbally before, by me, at all events. It was understood that the two sums were to be paid,—one to Sir John and the other to the Receiver-General.

419. It doesn't authorize you to pay it over, but to deposit it to the credit of the Receiver-General; it doesn't authorize the payment to Sir John Macdonald?—Sir John brought the cheques just as though they were his own, on the understanding he had with Mr. Langton.

By Mr. Wood :—

420. Did you think it necessary to have Sir John's cheque, in order to transfer the \$25,000?—Sir John brought it, at all events. He was the medium from beginning to end.

421. Did you believe his cheque to be necessary?—No, but he brought it, and endorsed it on the back, "pay to the order of the Receiver-General."

422. You acted on this cheque?—Yes.

By Mr. Blake :—

423. But you didn't think it necessary in order to effect the deposit?—No; I would have obeyed the instructions of the Government, and deposited it any time.

By Mr. Macdonald (Centre Toronto) :—

424. In your examination on Saturday you stated that Mr. Langton had explained to you that Sir John had satisfied him that there was a claim on this \$6,600. Was that the result of a verbal communication, or was it an inference drawn from the letter?—It was the result of a verbal communication prior to that.

By Mr. Ross (Prince Edward) :—

425. During your time in the Bank do you recollect Sir John ever calling for vouchers before that August?—I think no vouchers were taken before that time. Statements of account were called for and rendered from time to time, and the vouchers submitted to the Minister of Justice. I think I have given them through Mr. Langton to be submitted.

426. Did Sir John ever call for them himself before March, 1873?—No; that was the only time..

In reply to Mr. BLAKE,

Mr. LANGTON said that one warrant, that for \$11,800, was charged in the Public Accounts of 1872, Part II., page 358. The other warrant for \$3,784.00, was charged in the Public Accounts of 1871, Part I., page 298.

By Mr. Plumb :—

427. I would like to ask you a question. I thought, in the course of your examination, when you were speaking of the old Province accounts that there might be a misapprehension, and I would like to see whether it is correct or not. The sum of \$8,300 brought over was the only sum which went into the Secret Service Fund?—Oh, certainly.

RAILWAY COMMITTEE ROOM,
OTTAWA, Thursday, 22nd March, 1877.

Committee met—Mr. YOUNG in the chair.

The copy of the letter from Mr. Drummond to Sir John Macdonald of 5th March, 1873, called for at the last meeting, was submitted as follows:—

(24.)

BANK OF MONTREAL,
5th March, 1873.

MY DEAR SIR,—I enclose herewith, as requested, a statement of the special accounts of yourself and colleagues opened with this branch in August, 1866, and embracing the transactions from the commencement to the present time, showing balance at credit of \$37,179.04. It includes, you will observe, four cheques amounting to \$10,000 drawn at Toronto branch against the credit directed by you to be opened there for that amount, as per separate account received from Toronto branch. The statement No. 2 of the grant, per warrant, \$50,000, was directed to be opened in a separate account, and is accordingly so exhibited. The cheques drawing out same, Nos. 1 to 18, inclusive, and the cheques Nos. 1 to 45, inclusive, drawn against the account No. 1, together with the cheques at Toronto, are all sent herewith, with the exception of No. 44, \$2,100, paid 23rd January, 1872, the cheque for which has been mislaid, but which, it is trusted, will not cause any inconvenience.

I remain,

Yours very truly,

(Signed) AND. DRUMMOND,

Manager.

Rt. Hon. Sir J. A. MACDONALD, K.C.B.

After which, Mr. LANGTON was re-called and questioned

By Mr. Blake :—

428. I see by the report of the evidence that it was not very distinctly stated whether there was an Order in Council for the transfer of the \$18,000 odd dollars. I should like to ascertain if there was an Order in Council?—I conceive there could not have been, or it would have been quoted in my certificate. I will look over the Orders in Council and ascertain whether there was or not.

429. Can you tell on whose authority you directed the transfer?—No, I cannot.

430. There is no written authority?—No.

431. Mere verbal instructions?—Yes; but whose I know not.

Sir JOHN MACDONALD appeared before the Committee.

By Mr. Blake :—

432. There are several points arising out of the present evidence to which the Committee will, I think, desire to direct Sir John's attention. The first that occurs to me is with reference to Mr. Langton's statement. The Auditor-General has stated that a verbal intimation was given to him during several years, of the amounts expended for secret service during those years, without, however, their having been entered in the Public Accounts. Mr. Langton was unable to say who had given him that intimation—what Minister. I would like to know whether it was Sir John who gave that intimation?—No intimation was given by me. I presume it was given by the Finance Minister of the day; but I don't know.

433. There appears in one of the accounts which appear to have been opened (one opened and the other kept open) with the Bank of Montreal, I mean special account No. 1 under the date of December 27th, 1871, a charge for a cheque of \$1,000. Now, without infringing upon what is understood to be the sense of the Committee, that we should not enquire into the destination of the money, it would not perhaps be inconvenient to you to identify that particular sum. The date on which that sum is charged is the date of the letter produced in the North-West Committee from Sir John Macdonald to Archbishop Taché, enclosing a draft for \$1,000 for the purpose stated in the Committee, and which, in the evidence of Sir John, he stated to have been paid out of the Secret Service Funds. I was desirous of knowing whether that is the amount that represents that payment?—Well, I really cannot state that from recollection for I have no recollection in the matter.

434. The next previous item is September 11th, \$425, January 23rd, \$2,100, and on the date of the letter there is the cheque for the \$1,000. I draw the inference it was the same money?—Well, I would draw the same inference, though I have no personal recollection of it.

434a. It also appears from the evidence of Mr. Drummond that two sums were drawn out of the Secret Service money aggregating \$15,584, which were replaced by a deposit on February 11th, 1871. They were drawn to pay certain claims and expenses arising out of the Manitoba affair. They were drawn it seems by Sir Francis Hincks. Were you aware of these drafts?—Any cheques drawn upon that fund from May 6th, 1870, until very late in that year I know nothing of, having been ill and absent.

435. From May 6th, 1870, to some period ———?—I returned in the end of September, but was not capable of attending to much work, and did nothing in fact until the ensuing Session.

436. We have not at present the date of the drafts. I presume it was during the period of your illness?—I presume so.

437. It appears that the sum of \$8,300 odd, which was the remainder of the Secret Service fund of the late Legislature of Canada, was on the 18th of October, 1869, transferred to, or made part of, the fund of the Dominion. Were you aware?—I dare say I was at the time, but I had forgotten all about it until I saw it in the evidence the other day. I suppose it was a matter arranged by the Finance Minister.

438. The special account which is produced shows that on the 26th June, 1871, the balance undrawn of what was already deposited was \$15,754. From the recommendation of this made on the 26th June, I think an additional sum, in fact, the remainder of the whole vote, \$35,000, was ordered to be deposited, making a total in deposit at the close of the financial year of \$50,754. The recommendation dated 26th June, on which this \$35,000 was added to the \$15,000 balance remaining, states "there remains unexpended of the vote for Secret Service the sum of \$35,000. That as there was no vote taken for Secret Service last Session, and inasmuch as there is sufficient evidence that the public interests may require that the unexpended balance should be used, he recommends that the same be carried to the credit of the Sub-Committee of Council on Secret Service matters." There was at that time of the amount actually deposited over \$15,000, so that the total amount with this addition thus transferred, was over \$50,000?—Yes.

439. It would rather appear from the magnitude of the transfer and the language of the recommendation that it was with the idea that some exigency might arise requiring the further use of Secret Service money that this additional transfer took place?—I think I remember the circumstances. In Council the attention of the Council was called by the Finance Minister to the fact that there was this balance, and that there was no intention of applying for a new vote, and that it might lapse unless it was used. Well, there were large outstanding claims, some of them very unjust, or rather very excessive, which required to be settled in some way at some time, but it was suggested that I should make a report, which I did on the spot, and this was the report.

440. The idea was this, that this vote should not be utilized for any purpose except to meet claims which had accrued prior to the 30th June?—No; I do not at all mean to say so.

441. The idea was that it, or some portion of it, might be requisite for old claims, and that public exigency might require the use of it for new purposes?—If the claims preferred had been paid in full, they would have more than exhausted the whole sum; but I was satisfied many of the claims were excessive. Both objects were in contemplation according to the best of my recollection, first to pay outstanding claims, and secondly, to have the means of using the fund in the future for public services.

442. It appears by the evidence of Mr. Drummond that on the 5th of March, 1873, you received all the vouchers in his possession up to that date in connection with the fund?—I see by Mr. Drummond's evidence that he says he was "requested by the Minister of Justice." I suppose that is correct in one sense. I never made verbal application for these papers, but I presume from his evidence, though I don't remember it, that there was a demand in my name as Minister of Justice.

443. And were they received as per letter produced?—I have no doubt they were.

444. Have you them still?—I have not.

445. Have they been destroyed?—I presume they have been, though not by me. I don't know anything about them. I presume they ought to have been destroyed for fear they might compromise third parties, but whether they were I cannot say.

446. You have no means of telling?—I don't know.

447. Not having recollected the fact of having made this application, you of course could not tell why it was made on that day—the day of the opening of Parliament?—I don't know really. It may have been by the instructions of the Government, or my own. I really forget.

448. It seems that the vouchers for the intervening period between March and August were returned in August?—That stands exactly in the same way, by requisition of the Department or on account of the Sub-Committee in my name, mine being the first name.

449. Your answer as to the first lot applies *mutatis mutandis* to the second?—Yes, they are just in the same position.

450. Did you keep any record of any of these payments?—I kept no record.

451. Or account?—No; I kept no record.

452. Was any kept?—I suppose the running account by the Finance Minister or those concerned in cash matters. I kept no account.

453. You are not aware of any account?—I have no doubt there was a running draft or blotter of some kind. I paid no attention to the accounting part of it.

454. Who did?—I presume the successive Finance Ministers who were members of the Sub-Committee.

455. You are not aware of any book or record?—I don't know of any.

456. Either before or after the resolution of the Public Accounts Committee reported on the 29th May, 1872?—Either before or after.

457. That resolution, then, was not, so far as you know, observed?—Which?

458. The resolution of the Public Accounts Committee?—I think it was.

459. That resolution is: "That inasmuch as such large sums as \$75,000 have been voted for 'Secret Service Money,' of which there is no audit, as in the case of other expenditure, this Committee is of opinion that an account of all sums hereafter spent in 'Secret Service' should be kept as in England, in a book specially prepared for the purpose, and that this book should annually be inspected by a confidential Committee, of whom two shall be members of the Opposition of the day." There were large sums spent after the date of this resolution?—I remember the resolution well and the circumstances. The resolution was introduced, I think, by Mr. Young. I was not present at the Committee on Public Accounts; Sir Francis Hincks was present. The resolution was presented and was under discussion. I think he sent for me, and I came to the Committee. I protested against giving any examination into the details of the Secret Service, but as I learned from some conversation between Sir Francis and the Committee he assented or appeared to assent to the resolution. I said for the future I would have no objection that that should be the practice, but as to the past applications I certainly would not agree, and I gave my reasons.

460. I was speaking of the resolution itself, which does say that an account of all sums should be kept in a book?—I considered that the same rule should apply as in England, that the money when handed over to the Committee was in fact spent.

461. You considered that the same rule should apply, and that the sum of \$47,000, which was at one time handed over, was spent?—Yes; I considered that the sum, at all events as regards obligations previously made, was spent.

462. As to obligations not previously contracted?—Well, no; I should think not in the spirit of the resolution.

463. As to new matters you considered that an account should be kept?—I didn't at the time consider much about it. I simply stated that as to future matters I should have no objections, but as to past ones, I would not give the details.

464. And you construed the resolution as meaning sums hereafter spent for new obligations?—That was what I intended by my observations at the time, and I acted in that spirit.

465. I observe that the accounts were opened in the names of several Ministers in their official capacity. What was the custom [of drawing on this account?—It varied according to my recollection of it. When the fund was first formed before Confederation it was considered such a delicate matter in the peculiar circumstances of the country, that the fund, or rather the knowledge of its application should be confined to as few as possible, and four were therefore appointed. It was first discussed whether it would not be better for the Sub-Committee to draw what money was wanted, and keep a cash box, and pay it so that by no possibility could it be traced to the hands of the parties receiving it. This was considered so inconvenient that the Ministers of the day thought it could be managed more conveniently by having a separate account, which would be altogether distinct from Secret Service Account, and which would stand in the name of the four members forming the Sub-Committee of Council. That was the origin of the system. I may say that I see it stated in Mr. Drummond's evidence that the rule was that two of the Committee were to sign. I don't recollect that there was any such rule. Practically, however, I suppose all cheques were signed by two or more. That was a matter of arrangement by the Committee. When I was absent, Sir George Cartier acted for me as

Minister of Justice, as well as in his own department, and had full authority to sign my name for cheques. I had for him.

466. Though you don't remember any such rule, you recollect that the practice was to have two or more signatures to the cheque?—I cannot go so far as that. I cannot say it was so. I would certainly have been surprised if I, as a member of the Committee, should have had my cheque refused.

467. Mr. Drummond says that when only one name was attached he received a letter afterwards explaining that it was an emergency, and that those letters were returned?—I don't remember that.

468. The heading of the account shows that when Ministers came in, their names were added to the account. I presume old Ministers had no authority—Mr. McDougall for example?—No; I think not.

469. Even for old claims contracted during his term of office? No; I think not.

470. Did you mention to any one, about the period of the resignation of the late Ministry the fact that there was, or explain, the balance to the credit of this special account?—I see that Mr. Langton says that I mentioned it to him. It is likely I did; in fact there is probably no doubt about it, since he says so. I don't remember the conversation, but it is likely I did mention it to my colleagues.

471. You mentioned it to your colleagues, but you don't remember the circumstances of Mr. Langton's statements?—Just so.

472. Did you mention it, to the best of your recollection to Mr. Langton at any subsequent period until November, 1875?—No; I don't remember.

473. Did you mention to Mr. Drummond at any time at or about the resignation or subsequently. His statement is that it was mentioned about the time of the resignation, during the session of 1874, and during the session of 1875?—I don't remember all the conversations. I often went into Mr. Drummond's Bank on my own matters, and I may have spoken to him about it. I remember on one occasion he stated to me something like this, so far as I remember. He said "about that account?" I said there is an unsettled account which I want to settle first. I think it was a conversation of that kind. Afterwards when I came down to Ottawa and desired to settle the matter finally, I said to Mr. Drummond—

474. Perhaps, Sir John, before we proceed to that, you will say if that is the only detail you can remember as to prior conversations with Mr. Drummond?—Yes; I think so.

475. Though you don't entertain any doubt as to his correctness in giving the particulars?—Well, his memory may be as defective as my own. I have no recollection of any conversation but the first and the only one.

476. You cannot, therefore, say that this conversation occurred to which he deposes?—I cannot, but I have no reason to doubt his general accuracy of statement.

477. You do remember that you were at Ottawa, and that the subject was taken up about the time the affair was settled, about the end of October or the beginning of November?—Yes.

478. Whom did you see?—I went to Mr. Drummond and told him I wished to have it settled, that I knew the claims against the fund were sufficiently adjusted, and that I wanted to pay it over. He made some such remark as this to me, according to my recollection: "Take care I don't get into trouble with the Government." I said: "You will not; I am going to the Auditor-General." I went to Mr. Langton and told him the fact that that sum had been lying and was still lying at the bank; that there was \$6,600 of claims justly against it. I asked him what was the mode of paying the balance. He told me the mode.

479. Describe the mode, please?—We took down a memorandum of the whole amount, as well as the \$6,600, which I thought the late Government was responsible for. I wanted to pay the balance. I told him to deposit to the credit of the Receiver-General.

480. Did he tell you to cheque out the \$6,600?—No; I can't say he did. I don't think the thing came up in Mr. Langton's mind. He took it for granted that I was

to cheque out this money and pay the claim, and that the balance should go to the Receiver-General.

481. It was not understood that you were to cheque out the \$6,600?—There was no understanding that I remember. I told him of the fact and he made no objection. I presume it was for that reason he thought I had the authority.

482. Did you think you had authority?—Yes.

483. On the principle on which Mr. McDougall would not have had authority?—There was a personal engagement. I submitted it to my colleagues before I resigned. I considered I had a right to pay the claim, especially, as Mr. Campbell had made himself responsible for \$6,000.

484. You conceived that you or any other of the ex-Ministers would have authority to cheque out?—I acted as I thought I had that authority.

485. You thought you had authority?—Yes; I told Mr. Campbell of it when I went to Toronto, perhaps not immediately, but when he said, "I don't want to get into any trouble about it," and about that I got a note from Mr. Langton, and I mentioned it to Mr. Mackenzie.

486. Your view then was in point of law and constitutional doctrine, that any of the ex-ministers could cheque out this money?—I thought under the circumstances that I had a right to keep and apply the money and to draw the cheque.

487. Mr. Drummond says he referred you once or twice to the Government with reference to any disposal of the fund, and in your letter to him, which is produced, you say to him that you had not time to see Mr. Langton?—I saw Mr. Langton.

488. Yes, but this was anterior. It is dated after the session. Was this in reference to Mr. Drummond's doubt as to whether he could properly pay over the money?—I really could not say.

489. The letter is in May, I think, some time?—Yes, that brings to my recollection that we must have had some conversation about it. I was called to Toronto suddenly and did not see the Auditor.

490. Was this in reference to Mr. Drummond's difficulty in dealing with the matter without the authority of the Government of the day?—The dealing with it?

491. Yes. Your desire was that a certain sum should be issued to you, and the balance deposited. Mr. Drummond says that he didn't see his way to chequeing it without having that authority of the Government, and suggested to you to get the authority of the Government. I ask whether this interview spoken of, with Mr. Langton, was in reference to that question? I fancy from this that in the conversation we had, we spoke about the mode of closing the account, and that I said I would speak to the Auditor as to the mode, and that I didn't do so.

492. Mr. Langton also states that he suggested to you the propriety of communicating with some of the Ministers of the day?—He wrote to me a note, that was the only communication we had on the subject.

493. That note has been produced?—Yes; I suppose so.

494. He says that it was on a prior occasion?—I am satisfied he is in error there.

495. It never occurred to you to communicate all to the Minister on the subject?—No.

496. The cheque drawn is dated the 4th of November. From what was stated in the House the other day it would appear that of this money (\$6000) had been paid by Mr. Campbell at one time. You say he was responsible for it. When was this \$6000 paid over to Mr. Campbell?—After I saw Mr. Mackenzie and explained the circumstances.

497. How long after?—It was in April, shortly after the session.

498. The session of 1876?—Yes; after having a conversation with Mr. Mackenzie and going to Toronto, I told Mr. Campbell the conversation, and thereupon gave him the cheque, the money having been lying in the Bank of Montreal to my credit until that time.

499. It was paid over to Mr. Campbell, shortly after the session of 1876—Yes.

500. The item of \$600—when was it paid?—Well, I believe, as a matter of fact, it has not been paid yet. It was paid by a gentleman—the cash advanced by —

501. You stated that it was the member for Compton, Mr. Pope?—Yes.
 502. You have not yet paid that sum?—No.
 503. Was that an old or a new claim?—An old one.
 504. How old?—I cannot exactly say without reference to Mr. Pope.
 505. It is stated in the editorial correspondence of the *Gazette*, under the head of the 16th February, that it was a claim that arose in the spring or summer of 1873?—I don't remember. It was paid by Mr. Pope at my request. I wrote him to make this advance.
 506. But was it a claim that arose in the spring or summer of 1873?—Well, I cannot tell exactly; I cannot remember the dates; I know the services it was for.
 507. No doubt you could procure the information which would enable you to answer that question?—I will ascertain.
 508. In conformity with the spirit of the Committee I do not ask the object, though it is stated in this paper. I merely ask the date?—I forget.
 509. But you can ascertain?—Yes; I intimated to Mr. Mackenzie the particular purpose.
 510. You cannot now remember whether that occurred after the session of 1873?—I cannot remember. I remember the service but I am a bad hand at dates. I can easily verify that.
 511. Had Mr. Campbell authority to deal with the Secret Service?—No; but I requested him.
 512. This particular matter was one in which his responsibility was engaged at your instance?—At my instance, and so with Mr. Pope.
 513. You say you did not pay any attention to the accounting part of the business?—No; I left that to others.
 514. Were you aware that by the Public Accounts the vote of 1870-71 appears as entirely expended and wiped out within that financial year?—I cannot say. I paid no attention to it. I left it entirely to the financial gentlemen. I applied my attention to the proper application and expenditure of the money.

RAILWAY COMMITTEE ROOM,
OTTAWA, Tuesday, 27th March, 1877.

Committee met—Mr. YOUNG in the chair.

The statement of the Special Account of \$10,000 at the Toronto Branch of the Bank of Montreal, called for at the last meeting, was handed in, as follows:—

(25.)

Right Honourable Sir JOHN A. MACDONALD, in account with The Bank of Montreal, Toronto, being a Special Transfer of \$10,000 from Ottawa Branch.

1872.		\$	cts.	1872.		\$	cts.
Nov. 13....	To cheque.....	2,000	00	Nov. 11....	By transfer from Ottawa...	10,000	00
do 15....	do	3,000	00				
do 15....	do	3,000	00				
do 19....	do	2,000	00				
		\$10,000 00				\$10,000 00	

The four cheques mentioned above were duly sent to Ottawa after payment, on 25th November, 1872.

I hereby certify the above is a true copy of the Special Account, amounting to \$10,000, as specified.

(Signed)

GEORGE W. YARKER,

Manager.

TORONTO, 23rd March, 1877.

After which, Mr. DRUMMOND was recalled and further examined :

By Mr. Blake :—

515. The account which was sent by your letter shows, November 11th, 1872, by transfer from Ottawa, \$10,000. Will you indicate which of the items in the account which you have laid before the Committee that \$10,000 represents?—The one entered as October 17th. The alteration of the date was by a clerical error. It was actually on the 11th of November.

516. There was no item under the heading of 17th October?—No; It arose from this cause; a cheque had been posted into that account which belonged to the Attorney-General's Department, and, in transcribing, it was placed under the same date.

517. So that November 11th is the date which we have to fix instead of the 17th October in No. 1 Special Account?—Yes.

Sir JOHN MACDONALD was then further questioned

By Mr. Blake :—

518. With regard to the date of the Services?—I cannot give the precise date; I asked Mr. Pope, and he cannot remember further than that it was in the summer of 1873.

519. You stated, Sir John, that you had on a former occasion an interview with Mr. Mackenzie subsequently to the transactions which have been the subject of investigation—the paying over of this balance and the drawing of this cheque. When did that interview take place?—It must have taken place immediately after the prorogation of last session.

520. There was one before last session I think. In your letter to Mr. Langton, written after the receipt of his letter in which he mentioned Mr. Mackenzie's views as to its coming within the resolution of the Committee, you informed him that you would take an early opportunity of seeing him. That was written on the 23rd of November?—Yes.

521. Was the first interview with Mr. Mackenzie after the session of 1876?—It was the first interview; we had some conversation about it during the session. I forget now how it arose, but I told him I would call upon him and explain the matter to him. I don't know whether Mr. Mackenzie remembers the time. I was laid up for a time at the end of the session, but at all events the conversation was some four or five days before the close of the session. Mr. Mackenzie and I had just about three words, and I said I would see him in a day or two. I did see him before I went after the session.

522. Your memory doesn't serve you as to having a conversation with him before the session?—No; I have no remembrance of having any conversation with him before the session.

523. During the session, then, you had two short conversations, one of which simply amounted to your saying that you would have a conversation with him at a later period?—Yes.

524. Before the date at which you had the first discussion. The first interview in which it was discussed was three or four days after the prorogation of 1876?—Yes; before I went west.

525. Will you state what took place?—I went to his office, and told him I had come to talk about the matter. I said there were two claims, one of \$6,000 and the other of \$600. That the former was one in which Mr. Campbell had made himself personally responsible, and that the \$600 was one which Mr. Pope had paid. I mentioned to him the purpose for which he paid that money. Mr. Mackenzie said to me, if I remember aright: "You remember the resolution of 1871?" I said: "I remember it perfectly, but I don't think that this \$6,000—I didn't mention the \$600 item, I think—comes within the resolution of the Committee, as it applies to obligations or engagements which had been incurred before the rule was passed." I said

that Mr. Campbell had made himself liable for it personally, and had not yet paid it; that he did not want to have any after-claps about it, and, in fact, wanted to know whether there would be any objection to his receiving the money or not. Mr. Mackenzie asked me if I could give the names of the parties receiving the money. I said: "No, we cannot; we are under a personal pledge not to reveal the names of the parties." That is as nearly as I can remember the conversation.

526. Did Mr. Mackenzie intimate to you that he assented to the payment in any way?—I thought so.

527. You say so?—Yes; I told Mr. Campbell so when I went to Toronto.

528. What did Mr. Mackenzie say?—I told him I wanted to understand the matter, as Mr. Campbell wished to know if there was any objection to paying it, and I understood Mr. Mackenzie to say that there was not.

529. Did Mr. Mackenzie agree that this was not subject to the resolution of the Committee?—He did not say so.

530. Did he adhere to his view that it was subject to the resolution?—I didn't think he said either one thing or the other.

531. He called attention to it?—Yes; I explained my views, and according to the best of my recollection, he neither acceded nor objected expressly to them. You must remember that previous to this I had received Mr. Langton's letter desiring an explanation of this \$6,600.

532. And also referring to the resolution?—Yes.

533. You were not on this occasion wanting from Mr. Mackenzie an authority to draw the money, or a recognition of the propriety of having drawn it, for you were satisfied that was all right?—I had no doubt myself that I had a right, and the object of my making that statement was in consequence of what Mr. Campbell, said to me, as I understood from him that he would rather pay the money out of his own pocket rather than have any after-claps about it.

534. Did you present to Mr. Mackenzie any question as your authority to draw the money?—Not that I remember.

535. Nor gave him any intimation as to the process made on which the money had been held before it was drawn?—No; I don't remember; the money had been lying in the Bank, and there was an end of it.

536. Did you suggest to Mr. Mackenzie that a few words from him to the Public Accounts Committee would set the matter at rest?—I don't think I did.

537. You don't remember that. You don't remember his saying that it would be impossible for him to adopt the suggestion?—He certainly didn't say that.

538. Can you say when the money was paid over to Mr. Campbell?—Well, no. My impression at the present is, as I stated before, that it was shortly after my return to Toronto, but I cannot say positively; I could ascertain that from Mr. Campbell. I would wish to make a statement to the Committee, with respect to the practice of drawing cheques. My memory was very defective, but I have since spoken to Mr. Campbell, who acted for me as my *locum tenens* for six months, and he says the practice was for the member of the Sub-Committee under whom the particular subject happened to be, to give the cheque, and that there was no practice of more than one signing that statement.

Mr. MACKENZIE then appeared before the Committee and made the following statement:—Late in the fall of 1875, Mr. Langton came to me and said that a very unexpected thing had turned up, or words to that effect. He then told me that Sir John Macdonald had had about \$25,000 of Secret Service money in his possession which he refunded. I expressed my amazement that I had never heard of this before, and asked Mr. Langton how it was that this should have been the case without our knowing it. He shook his head and said he really didn't know,—had no conception of the thing until Sir John told him. He then told me that an amount was retained still by Sir John, in his own hands, of \$6,600, wherewith to pay some outstanding claims. I immediately said, "Sir John cannot pay any amount for outstanding claims. It must be paid in the regular way, because it comes under the

resolution of the House in 1872. You had better advise Sir John at once of this objection that I make." He told me he would. He afterwards showed me a reply from Sir John to his letter, in which he stated that he would see me when he came to Ottawa. When Sir John came to the meeting of the House I went over to him, I think on the second or third day of the session, and mentioned the matter to him. I told him that the whole matter must be stated to the House, and should be stated, in my opinion, at an early day, and that it was quite impossible that we should sanction that mode of disbursing the money. He stated to me that he would see me in the course of a few days about the matter, and mentioned, in proof, what had passed between Mr. Langton and himself, of which, of course, I was aware. In the course of two or three weeks after that, as nearly as I can remember (for I kept no written memoranda, therefore I am not quite certain), I think in the third week of the session, I again spoke to Sir John about it. He was then, I think, quite ill; he was not much in the House, and had not been there for a day or two before I spoke to him. I said to him that as soon as he got a little better we could arrange a way in which my view of bringing the matter before the House could be carried into effect. The interview I then spoke of did not take place, and I think about four or five days before the session closed, I again went to him and said that the session was so near its close that it seemed to me imperative that the matter should be mentioned by me in the House, and that having been in possession of the knowledge of the facts for months, it seemed to me to be quite improper that I should continue longer to be the sole custodian of those facts. I said that for my own sake I felt it necessary to make a statement of the facts to the House. He suggested that he would call and see me at my office, and that it was probably too late to say or do anything in the House, as many of the members had gone. He did come to my office. My impression was, until he spoke to-day, that it was either the day of the prorogation, the day before, or it might have been the day after; it was one of these three days at all events. He explained to me that Mr. Senator Campbell was the party who had dealt with the claimants for this \$6,000; that the claim was originally for a much larger amount, but had ultimately been reduced to that figure. I think he stated that Mr. Campbell was personally liable for the amount, or had made himself personally liable for this amount. The \$600 was for another purpose. I should say, however, that what he stated about that had escaped my memory, until it was refreshed by what had taken place in the Committee. I have no doubt that he said this \$600 was for detective service in Montreal. Matters had occurred at a subsequent period,—

Mr. BLAKE remarked that so far the Committee had not made any enquiry as to the purposes for which the money had been spent.

Mr. MACKENZIE continued :—I think he merely mentioned the circumstances. I am not aware that I made any particular comment, in fact I cannot recollect precisely what occurred. I recollect very distinctly stating to him that it was a matter that must of necessity come before the Public Accounts Committee. I recollect quite as distinctly as I recollect the interview itself, his saying that I could very easily make an explanation of the circumstances to the Public Accounts Committee, that would be satisfactory. My reply was that it would be quite impossible to make any explanation. Before the conversation occurred, it must be remembered that the impression on my mind was that this money was in the actual personal possession of Sir John Macdonald, not as an ex-Minister or a former member of the Committee of Privy Council, and that the payment was being made by himself individually, not in his capacity as trustee of this fund; and that in whatever capacity, I stated that the money could only be paid in accordance with the resolution of the House which covered these particular services after the date of the adoption of the report by the House of Commons. That is substantially all that I remember at the moment of what transpired between Mr. Langton and myself and between Sir John and myself. Of course, if Mr. Langton had made me aware of what I observe from the report of the evidence that he was aware of, that this money had been there for years, I should

have taken another course, both in my conversation with him and in dealing with the subject. He did not make me aware of that, but expressed his surprise and astonishment that the Secret Service money should have been dealt with in this way.

By Mr. Blake :—

539. Did you, in any way assent to the disposition of the money by Sir John?—No; I took particular care not to assent to any disposition of the money. I have already stated so in the House.

540. It would have been mentioned in the House but for the circumstances to which you allude?—Yes, that was my impression. I knew that the mention of it was inevitable some time or other, and I thought it better that Parliament should be made acquainted at once with the circumstances that had arisen.

By Sir John Macdonald :—

541. Didn't I say that Mr. Campbell didn't wish to have any after-claps about it, —I think that was the exact expression—and that he wanted to know how the matter was to be disposed of?—I think it was quite likely you did. I don't remember the precise expression, but that is in accordance with the spirit of your remarks. I should say that I understood at this time that the money had been actually given for the purposes.

542. I certainly didn't convey that idea?—Probably not, but that was my impression.

543. The idea conveyed was that Mr. Campbell made himself personally responsible,—that, as he said, he didn't want to have any after-claps, and wished to have the matter settled.

By Mr. Blake :—

544. Did you say anything about the money being paid to or by Mr. Campbell?—No; certainly not.

545. Did you, in the course of the conversation, state what your view was as to the mode in which it should be dealt with?—I stated that both to Mr. Langton and in conversation with Sir John.

546. Did you say anything as to who were the proper disbursers of the fund after the resignation of the Ministry?—I rather think I didn't, so far as I can recollect, as my conversation was directed entirely to another point. I supposed that the money had all practically been disbursed. I don't think I understood anything about that branch of the question.

547. Mr. Langton didn't inform you that on the 4th of November it was standing to the credit of the Sub-Committee of Council?—No; he stated that it was to Sir John's personal credit in the Bank of Montreal.

Mr. LANGTON was then re-called and further examined :

By Mr. Tupper :—

548. Mr. Mackenzie says that you told him in the fall of 1875, when you had the first conversation with him, that something very unexpected had occurred; that you had just ascertained the position in which this amount of Secret Service money was. That statement seems to be irreconcilable with your statement that Sir John communicated with him in relation to the whole matter before the change of Government?—About the period of the resignation of the late Ministry I had a conversation with Sir John, in which he stated that there was a balance of Secret Service money remaining, and that there were unsettled claims which prevented him from putting it in order. That was the last thing I heard of it; I thought nothing more about it; I thought he might have paid in those claims, and when the money was paid in, I said to Mr. Mackenzie that we had received an unexpected addition to the revenue, not as though I was much astonished, because I had heard previously there was a balance, though I didn't know the amount. When I got the certificate of

deposit I took an opportunity of communicating with Mr. Mackenzie, saying that we had received the amount, and also the circumstance that there was an unsettled claim.

549. You didn't mean to convey the impression to Mr. Mackenzie that this was the first you had heard of it?—I was aware that there had been a balance, though I didn't know the amount.

550. Did you state that to him?—I intended to do so, and I think I recollect it. I feel quite certain I did, and that I had no means of knowing at that time whether it had all been paid in or whether it hadn't. That is my recollection, but at so long a distance it is quite impossible to be perfectly certain about anything.

Mr. MACKENZIE: It is not very long. I can only say that not a word of that was ever stated to me.

Mr. LANGTON: I certainly did not mean to leave the impression that it was something I had heard for the first time.

Mr. MACKENZIE: That was entirely the impression you did convey. Your words could not carry any other.

Sir JOHN MACDONALD: I stated in my evidence before, but it does not appear to be sufficiently clear, that just before the late Government resigned I mentioned to my colleagues in Council the fact of a balance remaining; that there were two sums for which the fund was indebted to my colleagues Messrs. Campbell and Pope; I could then have obtained an Order in Council for the payment of these two sums, and for the return of the balance of the special account to the Treasury. I didn't do so because the claim for which Mr. Campbell was responsible had not then been adjusted, and it was much larger than the claim as finally settled. For the purpose of saving as much money as possible I delayed the winding up of the account. The original claim was more than twice the amount at which they were finally adjusted. They were most peculiar claims, and people had the most exaggerated ideas of the value of their services to the country.

By Mr. Blake:—

551. Did I understand you to say that you thought the proper course was to have obtained an Order in Council?—As things have turned out it would have been the better course. It would have put an end to it, and there would not have been this discussion before the Committee on Public Accounts. One of my colleagues has just called to my recollection that my colleagues authorized me to settle those claims.

552. Was this occasion that you mention a verbal authorization?—Yes.

553. Could you say how long that was before the resignation?—Only two or three days. The exact date I cannot remember, but of course it was when we were winding up our affairs.

By Mr. Mackenzie:—

554. It was a verbal, informal authorization?—Quite so.

By Mr. Blake:—

555. Was that the usual course? Did you usually take authority from Council to settle these claims?—As regards the Secret Service money handed over to the Sub-Committee, no.

556. Was it usual to take a discussion in Council?—No.

557. Or obtain authority to settle claims?—No; it was under the peculiar circumstances of the case, as we anticipated immediately resigning office.

558. Then it was in contemplation of the resignation that this special step was taken?—Certainly.

559. Of obtaining authority from the resigning Ministry?—Yes; from the Ministry being about to resign. It was simply brought up by me as a matter of caution, as we were then setting our house in order.

RAILWAY COMMITTEE ROOM.

OTTAWA, Wednesday, 4th April, 1877.

Committee met—Mr. YOUNG in the chair.

The following Order in Council was handed in by Mr. Langton:—

(26.)

COPY of a report of a Committee of the Honourable the Executive Council approved by His Excellency the Governor General in Council, on the 6th August, 1866.

The Committee of Council respectfully recommend that the sum of fifty thousand dollars be appropriated from the vote for Secret Service, and that a warrant do issue in favour of the Receiver-General, with directions to place the same on special account with the Bank of Montreal, in the Names of the Attornies-General for Upper and Lower Canada, the Minister of Finance and the Provincial Secretary, whose certificate that the same or any part thereof has been disbursed for the Service of the Province, shall be a sufficient discharge and voucher for the payment of the same.

Certified.

(Signed)

W. A. HIMSWORTH,

Clerk, Privy Council.

RAILWAY COMMITTEE ROOM,

OTTAWA, Monday, 9th April, 1877.

Committee met—Mr. YOUNG in the chair.

Sir JOHN MACDONALD was, with leave of the Committee, asked the following question:—

By Mr. Kirkpatrick:—

560. Were the moneys disbursed out of the Secret Service fund by the Sub-Committee since 29th May, 1872, for services rendered before that date?—With the exception of \$600 retained to meet money paid by Hon. Mr. Pope, all the moneys disbursed since the resolution of 29th May, 1872, were for claims against the fund for services rendered before that date.

MINUTES OF THE PROCEEDINGS
OF THE
COMMITTEE ON PUBLIC ACCOUNTS
IN REFERENCE TO
SECRET SERVICE EXPENDITURE.

HOUSE OF COMMONS,

RAILWAY COMMITTEE ROOM,
OTTAWA, 15th March, 1877.

Scroll of Select Standing Committee on Public Accounts.

Committee met.

MEMBERS PRESENT :

JAMES YOUNG, Esq., *Chairman.*

Messieurs

Archibald,	Fiset,	Pettes,
Bertram,	Galbraith,	Plumb,
Blain,	Gibbs (Ontario South),	Pope (Queen's, P.E.I.),
Blake,	Gibson,	Power,
Bourassa,	Goudge,	Ross (Prince Edward),
Bowell,	Holton,	Rymal,
Burpee (St. John),	Jones (Halifax),	Scrifer,
Burpee (Sunbury),	Kirkpatrick,	Smith (Selkirk),
Caron,	Landerkin,	Snider,
Cartwright,	Macdonald (Toronto),	Thompson (Cariboo),
Charlton,	Macdougall (Elgin),	Thompson (Haldimand),
Davies,	Mackenzie,	Vail,
Desjardins,	McCraney,	Wood,
DeVeber,	McNab,	Workman and
Domville,	Metcalf,	Wright (Ottawa).
Dymond,	Mitchell,	

Mr. Langton, Auditor-General, was in attendance.

Mr. Charlton enquired whether the Secret Service items had been referred to the Committee.

The Chairman replied they had been referred, and read the order of reference as follows:

“ MONDAY, 5th March, 1877.

“ *Ordered*, That the following items of expenditure of Secret Service funds, viz:—
The item of \$15,086.41 for the year 1868; the item of \$33,103.88 for the year 1869; the item of 10,208.54 for the year 1870; and the item of \$75,000 for the year 1871, be referred to the said Committee.”

After which it was moved by Mr. Charlton—

That the Committee do call for copies of Orders in Council relating to the expenditure of any portion of votes of money for Secret Service since July 1st, 1867, and also of the recommendations on which such orders were based.

Statement from the Auditor of the various sums placed to any special account for the Secret Service purposes since July 1st, 1867, and the name of the bank or banks where such special accounts were kept, together with a statement from the Auditor of all entries in any of the books of account since July 1st, 1867, relating in any manner to Secret Service moneys, and all vouchers, warrants, and other papers connected therewith.

Statement from the Ottawa Branch of the Bank of Montreal of all accounts of moneys deposited on special account for Secret Service purposes, and all payments on such special accounts, with dates and all particulars concerning the same, and all papers in the possession of the bank relating thereto.

The personal attendance of John Langton, Esq., Auditor.

The personal attendance of Mr. Drummond, Manager of the Bank of Montreal in Ottawa.—Carried.

Mr. Charlton also moved that the enquiry be proceeded with on Saturday, the 17th instant, at 11 o'clock, a.m.—Carried.

HOUSE OF COMMONS,

RAILWAY COMMITTEE ROOM,

OTTAWA, 17th March, 1877.

Scroll of Select Standing Committee on Public Accounts.

Committee met.

MEMBERS PRESENT :

JAMES YOUNG, Esq., *Chairman.*

Messieurs

Archibald,	Galbraith,	Mousseau,
Bertram,	Gibbs (Ontario South),	Pettes,
Blain,	Gibson,	Plumb,
Blake,	Goudge,	Pope (Queen's, P.E.I.),
Brouse,	Holton,	Power.
Burpee (St. John).	Jones (Halifax),	Robitaille,
Burpee (Sunbury),	Kirkpatrick,	Rouleau,
Caron,	Little,	Scriver,
Cartwright,	Macdonald (Toronto),	Smith (Selkirk),
Charlton,	Macdougall (Elgin),	Snider,
Cimon,	Maeson,	Thompson (Cariboo),
Davies	McCraney,	Thompson (Haldimand),
Desjardins,	McNab,	Vail,
DeVeber,	Metcalfe	Wood,
Domville,	Mills,	Workman, and
Dymond,	Mitchell	Wright (Pontiac).

Mr. Langton, Auditor-General, and Mr. Drummond, Manager of the Ottawa Branch of the Bank of Montreal, attended in obedience to the order of the Committee.

Mr. Drummond submitted the following letter :—

BANK OF MONTREAL,
OTTAWA, 16th March, 1877.

SIR,—In conformity with the request of the Committee on Public Accounts, conveyed through you in your letter of yesterday, I have the honour to submit herewith statements of the amounts for Secret Service purposes deposited in, and the disbursements made, through this Branch, from August, 1866, until closed on 12th November, 1875.

A statement of the account, accompanied by all the vouchers, was rendered on 5th March, 1873, to Sir John A. Macdonald, at his request, and again about August of same year, there are consequently no cheques in the possession of the Bank connected with the transactions, excepting for the closing of the accounts.

I remain Sir,
Your obedient servant,

(Signed) ANDREW DRUMMOND,
Manager.

EDWARD P. HARTNEY, Esq.,
Clerk of Committee, House of Commons.

(The said letters and statements are marked 1, 2 and 3 respectively.)

Mr. Langton then submitted a statement (marked 4), showing the dates and amounts of warrants for Secret Service.

Mr. Wood moved: That a short-hand writer be engaged to take the evidence.—Carried.

Mr. Langton was then called and examined by Mr. Charlton and others (his evidence being taken down by the short-hand writer.)

Mr. Himsworth, Clerk of the Privy Council, was present with the Orders in Council called for at the last meeting, which were laid on the table (marked 5, 6, 7, 8 and 9.)

Ordered,—That copies of the warrants be produced at the next meeting.

Mr. Drummond was then called and examined (his evidence also being taken by the short-hand writer.)

Mr. Drummond was requested to bring at the next meeting exact copies from the books of the Bank, of the headings of No. 1 and No. 2 Special Accounts. Mr. Drummond was also requested to search for the letter authorizing the payment of \$6,600.

Mr. Drummond handed in two cheques (marked 10 and 11), which were filed, No. 10 being for \$6,600 and No. 11 for \$25,579.04.

Mr. Blake handed in a statement (marked 12.)

After Mr. Drummond's evidence had been taken, Mr. Langton was recalled and further examined.

Mr. Langton being requested to produce copies of letters written by him to Sir John Macdonald and Mr. Drummond, went over to his office for them.

Mr. Langton having returned with copies of the letters required, read the same to the Committee. (These letters are marked 13 and 14.) Mr. Langton also submitted a letter received by him from Sir John Macdonald, in answer to his of 23rd November, 1875, (marked 15.) Mr. Langton was then further examined, after which the Chairman enquired if the evidence was to be printed, which was *Ordered*.

Mr. Drummond and Mr. Langton were requested to attend on Tuesday 10.30 o'clock a.m.

The Committee then adjourned until Tuesday at 10.30 o'clock a.m.

HOUSE OF COMMONS.

RAILWAY COMMITTEE ROOM,
OTTAWA, 20th March, 1877.*Scroll of Select Standing Committee on Public Accounts.*

Committee met.

MEMBERS PRESENT :

JAMES YOUNG, Esq., *Chairman.*

Messieurs

Blain,
Blake,
Bourassa,
Brouse,
Burpee (St. John),
Burpee (Sunbury),
Caron,
Cartwright,
Charlton,
Cimon,
Colby,
Davies,
Domville,
Dymond,
Galbraith,
Gibbs (Ontario South),Gibson,
Goudge,
Harwood,
Jones (Halifax),
Kirkpatrick,
Laurier,
Little,
Macdonald (Toronto),
Macdougall (Elgin),
Masson,
McCraney,
McLeod,
McNab,
Metcalf,
Mitchell,
Pettes,Plumb,
Pope (Queen's, P.E.I.),
Power,
Robitaille,
Ross (Prince Edward),
Rouleau,
Sriver,
Smith (Selkirk),
Snider,
Thompson (Cariboo),
Thompson (Haldimand),
Tupper,
Vail,
Wood, and
Workman.

Messrs. Drummond and Langton were again in attendance.

Mr. Drummond being called on, produced the transcript of the heading of the Special Accounts Nos. 1 and 2, which was filed, (marked 16); also a letter to Mr. Langton (marked 17). He was then further examined by Mr. Blake and others, (the evidence being taken down by a shorthand writer.) During Mr. Drummond's examination he produced an extract of a letter to himself from Sir John Macdonald, marked 18; also a letter written by himself to Mr. Langton, enclosing a transfer receipt, (the letter being marked 19 and the receipt 20.)

Mr. Langton, was then called, and further examined by Mr. Blake and others.

Mr. Langton produced the original warrants asked for at the last meeting, which were not filed, as copies had been put in at the last meeting; he also laid before the Committee an abstract from Ledger, Services of 1868 for the late Province of Canada, (marked 21,) and two Orders in Council, (marked 22 and 23).

Mr. Drummond was then re-called and asked to produce at the next meeting a copy of the letter returning vouchers to Sir John Macdonald; he (Mr. Drummond) was also further examined by Mr. Smith (Selkirk) and others.

Mr. Charlton moves—That Sir John A. Macdonald, a member of this Committee, be requested to attend at its next meeting.—Carried.

Mr. Langton was further questioned, after which the Committee adjourned until Thursday at 10:30 o'clock a.m.

HOUSE OF COMMONS,

RAILWAY COMMITTEE ROOM,
OTTAWA, 22nd March, 1877.*Scroll of Select Standing Committee on Public Accounts.*

Committee met.

MEMBERS PRESENT :

JAMES YOUNG, Esq., *Chairman.*

Messieurs

Blain,
Blake,
Brouse,
Caron,
Cartwright,
Charlton,
Cimon,
Colby,
Davies,
Delorme,
DeVeber,
Domville,
Dymond,
Galbraith,
Gibbs (Ont., S.),
Goudge,
Harwood,

Holton,
Jones (Halifax),
Little,
Sir J. A. Macdonald,
Macdonald (Toronto),
Macdougall (Elgin),
Mackenzie,
McCraney,
McGregor,
McLeod,
McNab,
Metcalf,
Mills,
Mitchell,
Mousseau,
Pettes,

Plumb,
Pope (Queen's, P. E. I.),
Power,
Robitaille,
Ross (Prince Edward),
Rouleau,
Sriver,
Smith (Selkirk),
Snider,
Thompson (Cariboo),
Thompson (Haldimand),
Tupper,
Vail,
Wood,
Workman and
Wright (Ottawa),

Mr. Langton, Auditor General, was in attendance.

The Chairman read a letter (marked 23½) from Mr. Drummond, enclosing the letter called for by the Committee at its last meeting, which was filed (and marked 24.)

Mr. Langton was then further questioned.

Sir John Macdonald was present, in accordance with the request of the Committee, and his attention was drawn to certain portions of the evidence taken at the former meetings of the Committee, to which he replied; and was requested to furnish the Committee with the date of the payment to Mr. Campbell of \$6,000.

Mr. Drummond was present in accordance with the request of the Committee, and was requested to furnish a copy of the Special account of \$10,000, kept at the Toronto Branch of the Bank; the said copy not to show to whom the money was paid.

The Committee then adjourned until Tuesday at 11 o'clock, A. M.

 HOUSE OF COMMONS,

 RAILWAY COMMITTEE ROOM,
 OTTAWA, 27th March, 1877.
Scroll of Select Standing Committee on Public Accounts.

Committee met.

MEMBERS PRESENT :

JAMES YOUNG, Esq., *Chairman.*

Messieurs

Blain,	Gcudge,	Metcalfé,
Blake,	Harwood,	Mitchell,
Burpee (Sunbury),	Holton,	Pettes,
Caron,	Jones (Halifax),	Plumb,
Cartwright,	Little,	Pope (Queen's, P.E.I.),
Charlton,	Sir J. A. Macdonald,	Power,
Colby,	Macdonald (Toronto),	Robitaille,
Davies,	Macdougall (Elgin),	Ross (Prince Edward),
Delorme,	Mackenzie,	Rouleau,
Domville,	Masson,	Scriver,
Dymond,	McCraney,	Thompson (Cariboo),
Fiset,	McGregor,	Tupper,
Galbraith,	McLeod,	Wood, and
Gibbs (Ontario South),	McNab,	Workman.
Gibson,		

Messrs. Drummond and Langton were in attendance.

The Chairman laid on the Table a letter (marked 24½) he had received from Mr. Drummond enclosing the statement (marked 25) of the special account at the Toronto Branch of the Bank of Montreal, which was read.

Mr. Drummond was then called and further examined by Mr. Blake.

Sir John Macdonald, who was present, stated that he could not give the exact date of the payment of \$6,000 to Mr. Campbell, but that it was some time in the summer of 1873.

Sir John Macdonald was then further questioned by Mr. Blake.

Hon. Mr. Mackenzie then made a statement of what he knew in respect of the matter under consideration—and was questioned by Sir John Macdonald and Mr. Blake.

Mr. Langton was then called and further examined by Dr. Tupper and Mr. Mackenzie.

Sir John Macdonald was then further questioned by Mr. Blake and Mr. Mackenzie.

After which,

The Committee adjourned to the Call of the Chair.

HOUSE OF COMMONS,

RAILWAY COMMITTEE ROOM,
OTTAWA, 4th April, 1877.*Scroll of Select Standing Committee on Public Accounts.*

Committee met.

MEMBERS PRESENT:

JAMES YOUNG, Esq, *Chairman.*

Messieurs

Blain,	Galbraith,	Metcalf,
Blake,	Gibbs (Ontario South),	Mills,
Bourassa,	Gibson,	Mitchell,
Bowell,	Goudge,	Pettes,
Boyer,	Harwood,	Plumb,
Brouse,	Holton,	Robitaille,
Burpee (St. John),	Kirkpatrick,	Ross (Prince Edward),
Burpee (Sunbury),	Landerkin,	Rouleau,
Caron,	Little,	Scriver,
Cartwright,	Sir J. A. Macdonald,	Smith (Selkirk),
Charlton,	Macdonald (Toronto),	Thompson (Cariboo),
Cimon,	Macdougall (Elgin),	Thompson (Haldimand),
Colby,	Mackenzie,	Thompson (Welland),
Davies,	Masson,	Tupper,
Delorme,	McCraney,	Vail,
Desjarlins,	McGregor,	Wood, and
DeVeber,	McLeod,	Workman.
Dymond,	McNab,	

Mr. Langton was in attendance in answer to the request of the Committee.

Mr. Langton submitted the Order in Council of 6th August, 1866, respecting Secret Service (marked 26.)

Mr. Charlton moves that the following be the report of this Committee on Secret Service matters:—

REPORT.

THE SELECT STANDING COMMITTEE on Public Accounts, to whom was referred the following items of expenditure of Secret Service Funds, viz.: The item of \$15,086.41, for the year 1868; the item of \$33,103.88, for the year 1869; the item of \$10,208.54, for the year 1870; and the item of \$75,000, for the year 1871, have had the same under consideration; and upon the order of reference and matters connected therewith, including the refund of \$25,579.04 to the Receiver-General on 12th November, 1875, and the withdrawal of \$6,600 from the same fund upon the same day, the Committee beg to present as their

THIRD REPORT:

That they have examined several witnesses, a copy of whose evidence together with the motions, proceedings and votes of the Committee in this reference, is appended, and upon the facts established before the Committee they beg leave to submit the following:—

In the session of 1867-68 Parliament appropriated for Secret and Detective Service for the fiscal year, 1867-68, the sum of \$50,000.

On the 5th June, 1868, within four weeks of the close of the fiscal year, an order was made in Council directing \$50,000 of the vote for Secret and Detective Service for 1868 to be placed on special account with the Bank of Montreal, in the names of the Minister of Justice, the Minister of Militia, the Minister of Finance, and the Minister of Inland Revenue, whose certificate that the money or any part thereof had been disbursed for the service of the country should be a sufficient discharge and voucher for the payment of the same. On the 6th of June this sum was deposited accordingly.

Between the 10th and the 29th of June there was drawn, as appears by the Bank account produced by the Agent of the Bank, \$21,991.41, leaving a balance unexpended at the close of the fiscal year of \$28,008.59. By the Public Accounts the sum of \$15,081.41 only is entered as expended during the fiscal year. This entry was made by the Auditor General under verbal instructions from some Minister, but whom he does not remember. No certificate of any Minister for the disbursement of this or any other sum expended for this service has ever been given.

In the session of 1869 the sum of \$75,000 was voted for this service for the fiscal year 1868-69, but this vote was written off.

During the fiscal year 1868-69 the sum of \$24,128.88 was, as appears by the Bank account, drawn from the special account already referred to, leaving a balance at the close of the year of \$3,879.71. By the Public Accounts the sum of \$33,103.88 is entered as expended during this fiscal year. This entry was made by the Auditor-General on authority similar to that of the preceding year.

The balance unexpended by the Public Accounts thus appears to have been \$1,809.71.

During the fiscal year 1869-70, the Auditor, on the 18th October, 1869, certified: "That a transfer entry warrant may issue charging special deposit Secret Service, and crediting services of 1868 with \$8,398.83, being the balance unexpended in the year 1866-67."

The history of this sum is as follows:—Prior to Confederation the Legislature of the late Province of Canada had appropriated a sum for Secret Service, out of which by an Order in Council, dated August 6th, 1866, \$50,000 was ordered to be placed in a special account with the Bank of Montreal, in the names of the Attornies General for Upper and Lower Canada, the Minister of Finance, and the Provincial Secretary; and was so placed on the following day, August 7th. On the 30th June, 1867, there remained unexpended of this amount the sum of \$8,398.83.

This sum was a banker's balance within the meaning of the 107th clause of the British North America Act, 1867, which provides that:—

“All stocks, cash, banker's balances, and securities for money belonging to each Province at the time of the Union, except as in this Act mentioned, shall be the property of Canada, and shall be taken in reduction of the amount of the respective debts of the Provinces at the Union.”

Certain moneys paid by the Dominion immediately after the Union for certain services of the late Province of Canada were charged against the late Province in the Public Accounts of 1867-68, and in reduction thereof credit was given to the late Province for this balance as so much cash, thus closing this item of the accounts between the late Province and the Dominion. The balance which was thus the property of Canada remained untouched from 27th July, 1867, until 18th October, 1869, when under the authority of a transfer warrant issued by virtue of the Auditor's certificate above quoted; and without any Order in Council, it was transferred in the Public Accounts to the Secret Service account, and being added to the balance \$1,809.71 of the vote of \$50,000 for 1867-68, makes the sum of \$10,208.54, appearing in the Public Accounts for the year 1868-69, as an asset.

The Auditor states that this transfer was made because the fund was getting low.

By this transaction the sum in question was, in fact, diverted from the general funds of Canada and appropriated to Secret Service without authority from or indemnity by Parliament.

By the Bank account the expenditure during the fiscal year 1869-70 was \$13,960. In the Public Accounts the sum of \$10,208.54 is entered as expended for this year. This entry was made by the Auditor under similar circumstances to the preceding entries of similar expenditures.

During the session of 1870 the sum of \$75,000 was appropriated for this service for the fiscal year 1870-71.

On the 1st July, 1870, an Order in Council was made directing that \$30,000 be appropriated of the vote for 1870-71, and that a warrant should issue in favor of the Manager of the Bank of Montreal, with directions “to place it in special account with the Bank of Montreal in the names of the Minister of Justice, the Minister of Militia, the Minister of Finance, and the Minister of Inland Revenue, whose certificate that the same or any part thereof has been disbursed for the service of the country shall be a sufficient discharge and voucher for the payment of the same,” and on the 6th July this sum was passed to the credit of the old special account of the late Province which had been opened on August 7th, 1866, and was thus added to the balance already referred to as standing to the credit of that account. The Bank account shows that from this account was drawn \$32,299.20 between 1st July and 6th December, 1870, at which date an Order in Council in terms similar to the one of July 1st, authorized the deposit of \$10,000 more. Between that date and February 11th, 1871, there was drawn \$749.30, and on February 11th there was deposited to the credit of the account the sum of \$15,584, which had been previously drawn by the then Minister of Finance for the payment of certain claims in connection with the difficulties in the Red River Settlement.

This deposit is stated to have been made out of funds provided under Orders in Council of 14th February and 10th July, 1871.

Between the 11th February and the close of the fiscal year 1870-71, there was drawn \$5,030, making the total drawn during that year for Secret Service, (and exclusive of the sum of \$15,584 drawn and re-deposited as already mentioned), \$22,494.50.

The balance appearing by the Bank account at the credit of this account on 30th June, 1871, is \$15,754.04.

On the 26th June, 1871, Sir John A. Macdonald, Minister of Justice, reported to Council "That it appears from the certificate of the Auditor that there remains unexpended of the vote for Secret Service the sum of thirty-five thousand dollars.

"As there was no vote taken for Secret Service last session, and inasmuch as there is sufficient evidence to show that the public interests may require that the unexpended balance should be used, the undersigned recommends that the same be carried to the credit of the Sub-Committee of Council on Secret Service matters."

And on the following day an Order in Council was made, carrying out this recommendation. In pursuance of this Order the sum of \$35,000 was, on the 3rd July, 1871, carried to the credit of the account.

By this course the whole of the vote of \$75,000 was taken, although there remained unexpended at the close of the fiscal year 1870-71 the two sums of \$15,754.04, and \$35,000, making in all \$50,754.04. In the Public Accounts for this fiscal year the whole sum of \$75,000 is entered as actually expended. This entry was made by the Auditor under verbal instructions. The Public Accounts contain no indication that any alteration was being made in the system of entry or accounting.

Sir John A. Macdonald states that he recommended the issue of \$35,000 on June 26th, 1871, partly because there were old claims, the payment of which might require a considerable sum, and partly because the public exigencies might require further expenditure.

The Bank account shows that between the 30th June, 1871, and 29th May, 1872, there was drawn \$3,575, which includes the sum of \$1,000 paid on the 27th December, 1872, to Archbishop Taché for Louis Riel, and referred to in the report of the Select Committee on the North-West Troubles.

On the 29th May, 1872, the Select Standing Committee on Public Accounts reported to the House as follows:—

"That inasmuch as such large sums as \$75,000 have been voted for Secret Service money, of which there is no audit as in the case of other expenditure, this Committee is of opinion that an account of all sums hereafter spent for Secret Service should be kept as in England, in a book specially prepared for the purpose, and that this book should annually be inspected by a confidential Committee, of whom two shall be members of the Opposition of the day."

No further sum was drawn during the fiscal year 1871-72, and the balance at the close of that year remained at \$47,179.40.

On November 11th, 1872, \$10,000 was transferred to the credit of Sir John A. Macdonald in the Bank of Montreal, Toronto, from which Bank it was drawn as follows: November 13, \$2,000; November 15, \$3,000; November 15, \$3,000; November 19, \$2,000.

On the 5th March, 1873, being the day of the opening of Parliament, Mr. Drummond, at the request of Sir John A. Macdonald, sent him all the cheques and other vouchers in connection with the various Secret Service accounts to that date, and Sir John A. Macdonald is unable to say where these papers are or what has become of them.

On the 27th June, 1873, the further sum of \$5,000 was drawn, making a total during the fiscal year 1872-73, and subsequent to the above quoted resolution of the Committee on Public Accounts, of \$15,000, and leaving a balance at the close of that year of \$32,179.04.

In August, 1873, Mr. Drummond, at Sir John A. Macdonald's request, sent him the cheques and other vouchers in connection with the payments subsequent to March 5th, and Sir John A. Macdonald is unable to say where these papers are or what has become of them.

To summarize for convenience, the expenditures and unexpended balance of each fiscal year, as appears by the Bank account, exclusive of the amount of \$15,584 re-deposited February 11th, 1871, and not crediting the unexpended balance of

\$6,398.63, until it was transferred October 18th, 1869, they are shown to be as follows:—

Expenditure for year 1867-68.....	\$21,891 41
Balance at close of the year.....	28,008 59
Expenditure for year 1868-69.....	24,128 88
Balance at close of the year.....	3,879 71
Expenditure for year 1869-70.....	13,960 00
Expenditure for the year 1870-71.....	22,494 50
Balance at close of the year.....	15,754 04

Exclusive of \$35,000 not deposited till July 3rd.

Expenditure for year 1871-72.....	3,575 00
Balance at close of the year.....	47,179 04
Expenditure for year 1872-73.....	15,000 00
Balance at close of the year.....	32,179 04

On the 7th of November, 1873, the Ministry of Sir John A. Macdonald resigned.

No intimation was given by the out-going to the in-coming Ministers of the existence of the balance of \$32,179.04, nor was any proposal then made to clear the account.

Just before the time of his resignation, Sir John A. Macdonald intimated to Mr. Langton, the Auditor-General, that there was a balance which was subject to some outstanding claims; but that fact was not communicated by Mr. Langton to the new Ministers.

More than once between the resignation and November, 1875, Sir John A. Macdonald intimated to Mr. Drummond, Manager of the Bank of Montreal, his desire to withdraw from the special deposit a sum in respect of some alleged outstanding claims, but Mr. Drummond stated that he considered the authority of the Government would be requisite for such a transaction, on which Sir John intimated that he would communicate with Mr. Langton on the subject.

Matters so remained till November, 1875, when Sir John A. Macdonald visited Ottawa, and saw Mr. Langton upon the business. Thereupon Mr. Langton had a conversation with Mr. Drummond, who subsequently wrote Mr. Langton the following letter:—

“ BANK OF MONTREAL,
“ OTTAWA, 3rd November, 1875.

“ MY DEAR SIR,—The balance of credit of the special of Sir John A. Macdonald in this branch is \$32,179.04.

“ In view of this being closed under the arrangements you may have agreed on with Sir John, please send me such official instructions as to its disposal as may be requisite to authorize me to carry out the same.”

On November 4th, Mr. Drummond received the following reply:—

“ November 4th, 1875.

“ MY DEAR SIR,—I had an interview with Sir John Macdonald before I left Ottawa, in which he explained to me that the balance of Secret Service standing in his name was \$32,179.04. Of this \$6,600 is pledged for certain expenses incurred before the resignation of the late Ministry, and he wishes the balance to be deposited.

“ Be good enough, therefore, to deposit the \$25,579.04 to the credit of the Receiver-General, and send me a duplicate and triplicate of the deposit.

“ (Signed) JOHN LANGTON.

On the 12th November, 1875, Sir John A. Macdonald drew a cheque on the account in question in his own favour for \$6,600, and another cheque in favour of the Receiver-General for the balance of \$25,579.04. The latter was deposited to the credit of the Receiver-General; the former was transferred to Sir John A. Macdonald's private account at Toronto.

On 12th November, Mr. Drummond wrote the following letter to Mr. Langton:

"BANK OF MONTREAL,
"OTTAWA, 12th November, 1875.

"DEAR SIR,—The special Secret Service Fund account has been closed in the manner authorized by your letter of the 4th inst., by the accounting to Sir John A. Macdonald for \$6,600, the amount pledged by him as agreed with you, and transfer of the balance \$25,579.04 to the credit of the Receiver-General as per enclosed receipt No. 66.

"(Signed) A. DRUMMOND,
Manager."

None of the parties made any communication of these transactions to any Minister till after they had been closed, when Mr. Langton informed the Prime Minister, Mr. Mackenzie, of the receipt of revenue under the head of Secret Service, and also of the retention by Sir John A. Macdonald of the sum of \$6,600. It was not intimated to Mr. Mackenzie that this sum had been standing to the credit of a Committee of Council, and his impression was that it had been in the hands of Sir John A. Macdonald individually, and that he had disbursed it.

In this view, Mr. Mackenzie discussed the subject with Mr. Langton, who, on 23rd November, wrote Sir John A. Macdonald the following letter:—

"November 23rd, 1875.

"MY DEAR SIR JOHN,—When I mentioned to Mr. Mackenzie the other day, the receipt we had had from you on account of Secret Service money, he requested me to call your attention to a resolution of the Committee upon public accounts which was submitted to the House, and which you will find at page 173 of the Journals of 1872. I doubt whether there was any expenditure for Secret Service after that date, as I learn from the Bank of Montreal that the present balance had remained untouched for upwards of a year before the resignation of your Ministry, but Mr. Mackenzie intimated that he would expect a statement to be made of the payments made out of the \$6,600 which you withhold as already pledged, in accordance with that resolution.

"(Signed) JOHN LANGTON,
Auditor."

To this, Sir John A. Macdonald replied as follows:—

"TORONTO, November 30th, 1875.

"MY DEAR LANGTON,—I have yours of the 23rd, which absence from home has prevented me from acknowledging before.

"I do not think that the fund at my disposal comes within the resolution you refer to; but I shall wait on Mr. Mackenzie, and explain the matter to him on the first opportunity. I would have done so had he been in Ottawa when I was there, but he had gone to the Maritime Provinces.

"(Signed) JOHN A. MACDONALD."

Sir John A. Macdonald retained the sum of \$6,600, and during the session of 1876 was informed by Mr. Mackenzie, on three several occasions, that the whole subject must be communicated to Parliament. He requested delay, however, partly owing to illness, promising to see Mr. Mackenzie in relation to the matter. He did not see Mr. Mackenzie to give the promised explanations until about the time of prorogation, when a conversation was had which did not result in any arrangement.

Shortly afterwards Sir John A. Macdonald paid \$6,000 to the Hon. Senator Campbell; \$600 he still retains for the purpose hereinafter mentioned.

Sir John A. Macdonald states that all the moneys spent since the 29th May, 1872, save the \$600 chequed out for payment to the Hon. J. H. Pope, were for claims contracted before 29th May, 1872.

The Committee abstaining, in view of the resolution of the 29th May, 1872, from any public enquiry into the destination of the sums expended, have not investigated the specific dates at which all those claims arose which were satisfied by payment subsequent to the resolution of 1872; but it has been made to appear, with reference to the sum of \$600 retained to meet a payment made by the Hon. J. H. Pope, the member for Compton, that this claim arose in the summer of the year 1873, and consequently subsequent to the date of the resolution.

The English law and practice applicable to Secret Service moneys, so far as material to the present enquiry, seems to be as follows:—

(1.) When money is issued from the pay office to the Secretary of State as Secret Service money, the Secretary of State gives a receipt under his own hand for the money which is issued to him.

(2.) By 22 Geo. III., c. 82, it is provided by section 24, as follows:—"and from preventing as much as may be all abuses in the disposal of moneys issued under the head of Secret Service money, or money for special service, be it enacted by the authority aforesaid, that it shall not be lawful to issue or imprest from the Exchequer, or order to be paid by a Treasury Warrant, or under sign manual or otherwise, to any Secretary or Secretaries of the Treasury, or to any other person or persons whatsoever, from the Civil List revenues, for the purpose of Secret Service within this Kingdom, any sum or sums of money which in the whole shall exceed the sum of ten thousand pounds in any one year." And it is also provided that when the Treasury issues or directs the payment of money from the civil list revenues for foreign Secret Service, the same is issued and paid to one of His Majesty's principal Secretaries of State, or to the first Commissioner of the Admiralty, who shall for his discharge at the Exchequer, within three years from the issue, produce the receipt of His Majesty's Minister, Commissioner, or Consul in foreign parts, or of any Commander in Chief or other commander of His Majesty's Navy or land forces to whom the said money shall have been sent or given; that the same hath been received for the purpose for which the same hath been issued; which said receipt shall be filed in the Exchequer in order to charge the said foreign Minister or other officer with the same, and the said receipt shall be sufficient to acquit or discharge the said Secretary or Secretaries, or first Commissioner of the Admiralty in the said account at the Exchequer.

And any foreign Minister or other officer who shall stand charged at the Exchequer for or by reason of any Secret Service money by him received, shall stand discharged and acquitted thereof, if within one year after his arrival in Great Britain he shall either return the said money into the Exchequer or make oath before the Barons of the Exchequer, or one of them, in form following:

I, A. B., do swear that I have disbursed the money entrusted to me for foreign Secret Service faithfully, according to the intent and purpose for which it was given; according to the best of my judgment, for His Majesty's service. So help me God.

And also, whenever it shall be necessary for the principal Secretary of State, or first Commissioner of the Admiralty, to make payment of any money issued for foreign Secret Service, or for Secret Service, in detecting, preventing, or defeating treasonable conspiracies against the State in any place within the Kingdom, then it shall be sufficient to acquit and discharge the said Secretary or other Minister for him or the Under Secretary of State in the office in which such Secret Service money hath been

paid, or the Secretary of the Admiralty, to make out before the Barons of the Exchequer, or one of them, or before the Clerks of the Treasury, in form following: I, A. B., do swear that the money paid to me for foreign and Secret Service, or for Secret Service, in detecting, preventing, or defeating treasonable or other dangerous conspiracies against the State, (*mutatis mutandis*, as the case may be), has been *bond fide* applied to the said purpose or purposes, and to no other; and that it hath not appeared to me convenient to state that the same should be paid abroad.

(3.) The practice enjoined by this Statute is acted on with reference to the Parliamentary appropriation made from year to year for Secret Service.

(4.) Each out-going Secretary of State immediately renders an account, and transfers the money in his hands to the new Secretary of State, who starts with a fresh account, carrying on as the first item on the debit side the Secret Service money which has been transferred to him by the previous Secretary of State.

(5.) Since 1870, the amount expended during the fiscal year is entered in the Public Accounts for the year as expended for Secret Service.

(6.) Since 1870 the balance unexpended at the end of the fiscal year is surrendered to the Treasury in like manner as other balances of public funds.

The Canadian law contains no special provision for Secret Service expenditures, and consequently some of the special safeguards provided for by the English law are absent.

Under the Canadian law and Orders in Council and the resolution of the Public Accounts Committee of May 29th, 1872, the practice should have been as follows:—

(1.) The Ministers in whose names the fund was placed, should have certified that the money paid therefrom had been disbursed for the service of the country.

(2.) The amount disbursed during the fiscal year should have been entered in the Public Accounts for the year, as expended for Secret Service.

(3.) The amount unexpended at the end of the fiscal year, remaining at the credit of the special account of the Sub-Committee of Council on Secret Service, should have been treated as a lapsed balance, under the Act 31 Vic., cap. 5, sect. 28, which, without making any exception whatever, provided that: "All balances of appropriations which remain unexpended at the end of the financial year, shall lapse and be written off."

(4.) Any moneys standing to the credit of any Sub-Committee of Council on Secret Service, should have been treated as remaining at the credit of the Sub-Committee, notwithstanding any change in the persons of the Ministers composing the Sub-Committee, and thus, in case any of such persons ceased to hold office, his interest in or control over the moneys would thereon end, and his successor in office would succeed to his rights and responsibilities in this as in other respects. The same rule would, of course, apply in the case of the resignation of all the members of the Sub-Committee.

(5.) If, however, it were supposed that owing to the form of the deposit or otherwise, any member of the Sub-Committee retained after his resignation control over the fund, or in case any portion of the fund had been before his resignation placed in the individual control of any member of the Sub-Committee for expenditure, but had not been actually disbursed, such individual could not after his resignation, have any right to disburse the fund, but would be bound to hand it over to those who had succeeded to his responsibilities.

In this connection reference may be made to the 42nd clause of the Act respecting the liability of Public Accounts, 31 Vic., cap. 5, which provides that:

"If any officer or person has received public money for the purpose of applying it to any specific purpose, and has not so applied it within the time or in the manner provided by law, or if any person having held any public office and having ceased to hold the same, has in his hands any public money, received by him as such officer, for the purpose of being applied to any specific purpose to which he has not so applied it, such officer or person shall be deemed to have received such money for the Crown, for the public uses of the Dominion, and may be notified by the Minister of Finance to pay such sum back to the Receiver-General, and the same may be

“ recovered from him as a debt to the Crown in any manner in which debts to the Crown may be recovered, and an equal sum may, in the meantime, be applied to the purpose to which such sum ought to have been applied.”

(6) An Account should have been kept of all sums spent, and this, more especially, after the resolution of the Public Accounts Committee of May 29th, 1872.

These provisions appear to have been disregarded. For example:

(1) No certificate or voucher of the disbursing Ministers was given.

(2) The entries made (without any such certificate) of amounts expended in the earlier fiscal years after Confederation were, as compared with the bank account, varied therefrom.

(3) The unexpended balances were not surrendered.

(4) With reference to the expenditure of the vote for 1867-68, a sum was entered in the Public Accounts as actually expended in the fiscal year, and an assumed balance was carried forward as an asset. This practice was repeated for the two following years, and thereby Parliament was practically told that the amount entered as expended in each fiscal year had been actually expended in that year, and that the balance was being carried forward for expenditure in future years.

This course was, however, without any communication of the change, departed from in the case of the large vote of \$75,000 for the service of the fiscal year 1870-71, the whole of which sum was entered as actually expended in that fiscal year, although at the close of the year \$50,754.04, or more than two-thirds of the amount remained unexpended, \$35,000 of which was actually not placed to the credit of the Sub-Committee until three days after the close of the fiscal year.

The result of this alteration of system without communication to Parliament, was to lead Parliament to believe that the Secret Service Fund voted for 1870-71, was exhausted, when in fact there remained thereof unexpended, over \$50,000.

(5) A considerable part of this balance, which should have been written off, was spent in subsequent years.

(6) No entry of the existence, or of any subsequent actual expenditure of this balance was even made in the Public Accounts, and its existence and the dealings therewith would have remained unknown but for the events which have led to the present enquiry.

(7) No account of the sums spent for Secret Service was kept, after the resolution of the 29th May, 1872, which expressly stated that such an account should be kept for the purpose of a confidential audit.

It has been suggested that this resolution does not apply to moneys spent subsequent to its date in discharge of prior claims, but the Committee cannot concur in this view. The clear and conclusive language of the resolution embraces all sums spent subsequent to its date.

(8) The sum of \$8,398.83 of the public moneys of Canada was, without the authority of Parliament, appropriated to, and expended for Secret Service.

(9.) Two sums, amounting in the aggregate to \$15,584, were drawn from the Secret Service Special Account and applied to other unauthorized purposes, though subsequently made good to the fund.

(10.) The out-going Ministers did not inform their successors of the balance to the credit of the Sub-Committee of Council or deal with them in respect thereof.

(11.) Over two years after his resignation, when another person was filling the office of Minister of Justice, and after Sir John A. Macdonald had ceased to have any legal or constitutional control over the fund, for the disbursement of which his successors were responsible, he drew therefrom the sum of \$6,600 before mentioned.

The Committee are of opinion as follows:—

(1.) That the course pursued, and hereinbefore specified with regard to the Secret Service moneys, was highly irregular and a breach of the duty of those concerned therein.

(2.) That steps should be taken for the recovery into the public chest of the said sum of \$6,600.

(3.) That no accounts having been kept, and the cheques or papers having been

lost or destroyed, a satisfactory audit of the Secret Service expenditure has been rendered impossible.

(4.) That it was the duty of the Auditor General to have informed the new Ministers of the fact that there was a balance at the credit of the Sub-Committee of Council, and to have obtained the authority of the Ministers before giving Mr. Drummond the directions about the disposal of the money contained in his letter of November 4th, 1875.

(5.) That, in case Secret Service moneys should at any time hereafter be voted by Parliament, it would be proper to provide further statutory safeguards against abuses in the application thereof.

On motion of Mr. Kirkpatrick the consideration of the said proposed report was postponed until the same had been printed and distributed to the members of this Committee, with a copy of the evidence annexed to it.

HOUSE OF COMMONS

RAILWAY COMMITTEE ROOM,
OTTAWA, 9th April, 1877.

Scroll of Select Standing Committee on Public Accounts.

Committee met.

MEMBERS PRESENT:

JAMES YOUNG, Esq., *Chairman.*

Messieurs

Blake,	Holton,	Pettes,
Bourassa,	Kirkpatrick,	Plumb,
Brouse,	Landerkin,	Power,
Burpee (Sunbury),	Langevin,	Robitaille,
Caron,	Laurier,	Ross (Prince Edward),
Cartwright,	Little,	Roulean,
Charlton,	Sir J. A. Macdonald,	Rymal,
Cimon,	Macdonald (Toronto),	Scriver,
Colby,	Macdougall (Elgin),	Smith (Selkirk),
Davies,	Mackenzie,	Snider,
Delorme,	Masson,	Thompson (Cariboo),
Desjardins,	McCraney,	Thompson (Haldimand),
DeVeber,	McGregor,	Thompson (Welland),
Domville,	McLeod,	Tupper,
Dymond,	McNab,	Vail,
Gibbs (Ontario South),	Metcalf,	Wood,
Gibson,	Mills,	Workman,
Goudge,	Mitchell,	Wright (Ottawa) and
Harwood,	Ouimet,	Wright (Pontiac).

The Committee proceeded to the consideration of the Report proposed to be made to the House on Secret Service expenditure.

Mr. Kirkpatrick, with leave of the Committee, put the following question to Sir John Macdonald:—

Q. Were the moneys disbursed out of the Secret Service Fund, by the Sub-Committee, since 29th May, 1872, for services rendered before that date?

Sir John Macdonald replied as follows: With the exception of \$600, retained to meet money paid by Hon. Mr. Pope, all the moneys disbursed since the resolution of 29th May, 1872, were for claims against the fund for services rendered before that date.

After which,

Sir John Macdonald suggested the following alterations in the Report, which were made:—The word "about" struck out, and "just before" substituted in the third paragraph of page 11; and in the fourth paragraph of same page strike out "at various times," and insert "more than once."

Mr. Kirkpatrick suggested the following alterations, which were made: After "\$600 he still retains," insert "for the purposes hereinafter mentioned," in the second paragraph of page 13, and then insert the following new paragraph:—

"Sir John Macdonald states that all the monies spent since the 29th May, 1872, save the \$600 chequed out for payment to the Hon. Mr. Pope, were for claims contracted before 29th May, 1872."

And in the 3rd line of the next paragraph insert "specific" before "dates," and in the second sub-section of the next paragraph insert after "it is provided by Section 24" as follows: "And from preventing as much as may be all abuses in the disposal of moneys issued under the head of Secret Service, be it enacted by the authority aforesaid, that it shall not be lawful to issue or imprest from the Exchequer, or order to be paid by a Treasury warrant, or under sign manual or otherwise, to any secretary or secretaries of the Treasury or to any other person or persons whatsoever, from the civil list revenues for the purpose of Secret Service within this Kingdom, any sum or sums of money which in the whole shall exceed the sum of ten thousand pounds in any one year; and it is also provided."

After which further consideration of the proposed Report was postponed until to-morrow at 10.30 o'clock.

The Committee then adjourned.

HOUSE OF COMMONS,

RAILWAY COMMITTEE ROOM,
OTTAWA, 10th April, 1877.

Scroll of Select Standing Committee on Public Accounts.

Committee met.

MEMBERS PRESENT:

JAMES YOUNG, Esq., *Chairman.*

Messieurs

Blake,	Harwood,	Plumb,
Bourassa,	Holton,	Power,
Brouse,	Jones (Halifax),	Robitaille,
Burpee (St. John),	Kirkpatrick,	Ross (Prince Edward),
Burpee (Sunbury),	Langevin,	Rouleau,
Caron,	Little,	Bymal,
Cartwright,	Macdonald (Toronto),	Scrifer,
Charlton,	Macdougall (Elgin),	Smith (Selkirk),
Colby,	Mackenzie,	Snider,
Davies,	Masson,	Thompson (Cariboo),
Delorme,	McCraney,	Thompson (Haldimand),
Domville,	McLeod,	Thomson (Welland),
Dymond,	McNab,	Tupper,
Galbraith,	Metcalfe,	Vail,
Gibbs (Ontario, South),	Mitchell,	Wood, and
Gibson,	Mousseau,	Workman.
Goudge,	Rettes,	

The Committee proceeded to the further consideration of the Report proposed to be made to the House on Secret Service Expenditure.

Mr. Charlton suggested that the words "no portion of the civil list being any longer applied to Secret Service under the Statute" be left out of the Report, which suggestion was adopted.

Committee deliberated.

Mr. Plumb moves in amendment that the following be reported to the House as the Report on Secret Service Expenditure:—

PROPOSED AMENDED REPORT.

THE SELECT STANDING COMMITTEE on Public Accounts, to whom was referred the following items of expenditure of Secret Service Funds, viz.: The item of \$15,086.41 for the year 1868; the item of \$33,103.88, for the year 1869; the item of \$10,208.54, for the year 1870; and the item of \$75,000, for the year 1871, have had the same under consideration; and upon the order of reference and matters connected therewith, including the refund of \$25,579.04 to the Receiver-General on the 12th November, 1875, and the withdrawal of \$6,600 from the same fund upon the same day, the Committee beg to present as their

REPORT :

That they have examined several witnesses, a copy of whose evidence is appended, and upon the facts established before the Committee, they beg leave to submit the following:—

In the session of 1867-68 Parliament appropriated for Secret and Detective Service for the fiscal year 1867-68 the sum of \$50,000.

On the 5th June, 1868, within four weeks of the close of the fiscal year, an Order was made in Council directing \$50,000 of the vote for Secret and Detective Service for 1868 to be placed on special account with the Bank of Montreal, in the names of the Minister of Justice, the Minister of Militia, the Minister of Finance, and the Minister of Inland Revenue, whose certificate that the money or any part thereof had been disbursed for the service of the country should be a sufficient discharge and voucher for the payment of the same. On the 6th of June this sum was deposited accordingly.

Between the 10th and the 29th of June there was drawn, as appears by the Bank account produced by the Agent of the Bank, \$21,991.41, leaving a balance unexpended at the close of the fiscal year of \$28,308.59. By the Public Accounts the sum of \$15,081.41 only is entered as expended during the fiscal year. This entry was made by the Auditor-General under verbal instructions from some Minister, but whom he does not remember.

In the session of 1869 the sum of \$75,000 was voted for this service for the fiscal year 1868-69, but this vote was written off.

During the fiscal year 1868-69 the sum of \$24,128.88 was, as appears by the Bank account, drawn from the special account already referred to, leaving a balance at the close of the year of \$3,879.71. By the Public Accounts the sum of \$33,103.88 is entered as expended during this fiscal year. This entry was made by the Auditor-General on authority similar to that of the preceding year.

The balance unexpended by the Public Accounts thus appears to have been \$1,809.71.

During the fiscal year 1869-70, the Auditor, on the 18th of October, 1869, certified:—

“That a transfer entry warrant may issue, charging special deposit, Secret Service, and crediting services of 1868 with \$8,398.83, being the balance unexpended in the year 1866-7.”

The history of this sum is as follows:—Prior to Confederation the Legislature of the late Province of Canada had appropriated a sum for Secret Service, out of which, by an Order in Council, dated August 6th, 1866, \$50,000 was ordered to be placed in

a special account with the Bank of Montreal, in the names of the Attornies-General for Upper and Lower Canada, the Minister of Finance, and the Provincial Secretary; and was so placed on the following day, August 7th. On the 30th June, 1867, there remained unexpended of this amount the sum of \$8,398.83.

This sum was regularly credited to the late Province of Canada in the accounts of the Dominion Treasury.

By the Bank account the expenditure during the fiscal year 1869-70 was \$13,960. In the Public Accounts the sum of \$10,208.54 is entered as expended for this year. This entry was made by the Auditor under similar circumstances to the preceding entries of similar expenditures.

During the session of 1870 the sum of \$75,000 was appropriated for this service for the fiscal year 1870-71.

On the first July, 1870, an Order in Council was made directing that \$30,000 be appropriated of the vote for 1870-71, and that a warrant should issue in favour of the Manager of the Montreal Bank, with directions "to place it in special account with the Bank of Montreal, in the names of the Minister of Justice, the Minister of Militia, the Minister of Finance and the Minister of Inland Revenue, whose certificate that the sum or any part thereof has been disbursed for the service of the country shall be a sufficient discharge and voucher for the payment of the same;" and on the 6th July this sum was passed to the credit of the old special account of the late Province, which had been opened on August 7th, 1866, and was thus added to the balance already referred to as standing to the credit of that account. The Bank account shows that from this account was drawn \$32,299.20 between 1st July and 6th December, 1870, at which date an Order in Council, in terms similar to the one of July 1st, authorized the deposit of \$10,000 more. Between that date and February 11th, 1871, there was drawn \$749.30, and on February 11th there was deposited to the credit of the account the sum of \$15,584, which had been previously drawn by the then Minister of Finance for the payment of certain claims in connection with the difficulties in the Red River Settlement.

This deposit is stated to have been made out of funds provided under Orders in Council of 14th February and 10th July, 1871.

Between the 11th of February and the close of the fiscal year 1870-71 there was drawn \$5,030, making the total drawn during that year for Secret Service (and exclusive of the sum of \$15,584 drawn and re-deposited as already mentioned) \$22,494.50.

The balance appearing by the Bank account at the credit of this account on 30th June, 1871, is \$15,754.04.

On the 26th June, 1871, Sir John A. Macdonald, Minister of Justice, reported to Council "That it appears 'from the certificate of the Auditor that there remains unexpended of the vote for Secret Service the sum of \$35,000.'

"As there was no vote taken for Secret Service last session, and inasmuch as there is sufficient evidence to show that the public interests may require that the unexpended balance should be used, the undersigned recommends that the same be carried to the credit of the Sub-Committee of Council on Secret Service matters."

And on the following day an Order in Council was made carrying out this recommendation. In pursuance of this Order, the sum of \$35,000 was, on the 3rd July, 1871, carried to the credit of the account.

By this course the whole of the vote of \$75,000 was taken, although there remained unexpended at the close of the fiscal years 1870-71 the two sums of \$15,754.04 and \$35,000, making in all \$50,754.04. In the Public Accounts for this fiscal year the whole sum of \$75,000 is entered as actually expended. This entry was made by the Auditor under verbal instructions. The Public Accounts contain no indication that any alteration was being made in the system of entry or accounting.

Sir John A. Macdonald states that he recommended the issue of \$35,000 on June 26th, 1871, partly because there were old claims, the payment of which might require a considerable sum, and partly because the public exigencies might require further expenditure.

The Bank account shows that between the 30th June, 1871, and the 29th May, 1872, there was drawn \$3,575, which includes the sum of \$1,000 paid on the 27th December, 1871, to Archbishop Taché for Louis Riel, and referred to in the report of the Select Committee on the North-West Troubles.

On the 29th May, 1872, the Select Standing Committee on Public Accounts reported to the House as follows:—

“That inasmuch as large sums as \$75,000 have been voted for Secret Service money, of which there is no audit as in the case of other expenditure, this Committee is of opinion that an account of all sums hereafter spent for Secret Service should be kept as in England, in a book specially prepared for the purpose, and that this book should annually be inspected by a Confidential Committee, of whom two shall be members of the Opposition of the day.”

No further sum was drawn during the fiscal year 1871-72, and the balance at the close of that year remained at \$47,179.40.

On November 11th, 1872, \$10,000 was transferred to the credit of Sir John A. Macdonald, in the Bank of Montreal, Toronto, from which Bank it was drawn as follows:—November 13, \$2,030; November 15, \$3,000; November 15, \$3,000; November 19, \$2,000.

On the 5th March, 1873, being the day of the opening of Parliament, Mr. Drummond, at the request of Sir John A. Macdonald, sent him all the cheques and other vouchers in connection with the various Secret Service accounts to that date, and Sir John A. Macdonald is unable to say where these papers are or what has become of them.

The Committee think this of no import, as if they were in existence this Committee ought not to require them to be produced. But Sir John A. Macdonald presumes they were destroyed, or ought to have been, for fear of compromising parties employed for Secret Service.

On the 27th June, 1873, the further sum of \$5,000 was drawn, making a total during the fiscal year of 1872-73, and subsequent to the above-quoted resolution of the Committee on Public Accounts, of \$15,000, and leaving a balance at the close of that year of \$32,179.04.

In August, 1873, Mr. Drummond, at Sir John A. Macdonald's request, sent him the cheques and other vouchers in connection with the payments subsequent to March 5th, and Sir John A. Macdonald is unable to say where these papers are or what has become of them. In regard to these vouchers he makes the same remark that he did as to the vouchers previously mentioned.

To summarise for convenience the expenditures and unexpended balances for each fiscal year, as appears by the Bank account, exclusive of the amount of \$15,584 re-deposited February 11th, 1871, and not crediting the unexpended balance of \$8,398.83, until it was transferred October 8th, 1869, they are shown to be as follows:—

Expenditure for year 1867-68.....	\$21,991 41
Balance at close of the year	28,008 59
Expenditure for the year 1868-69.....	24,128 88
Balance at close of year.....	3,879 71
Expenditure for year 1869-70.....	13,960 00
Expenditure for the year 1870-71.....	22,495 50
Balance at close of the year.....	15,754 04
Exclusive of \$35,000 not deposited till July 3rd.	
Expenditure for year 1871-72.....	3,575 00
Balance at close of year.....	47,179 04
Expenditure for year 1872-73.....	15,000 00
Balance at close of the year.....	32,179 04

It will therefore be seen that all the sums voted and belonging to the said fund were paid out and expended during the term of office of the late Ministry, except the

balance of \$32,179.04, which forms the principal subject of the present enquiry, and which remained undisturbed in deposit in the Bank of Montreal until November 12th, 1875.

On that day, Sir John Macdonald, by arrangement with the Auditor, transferred to the credit of the Receiver-General \$25,579.04 of this balance, and the remaining \$6,600 was transferred under such arrangement to his account at Toronto, to meet obligations incurred on Secret Service account by his former colleagues, the Hon. Messrs. Campbell and Pope;—that of the Hon. Mr. Campbell being \$6,000, having been incurred prior to May, 1872; and that of \$600 to the Hon. Mr. Pope, having been paid by him in the summer of 1873.

On the 7th November, 1873, the Ministry of Sir John A. Macdonald resigned.

No intimation was given by the outgoing to the incoming Ministers of the existence of the balance of \$32,179.04, nor was any proposal then made to clear the account.

Just before his resignation, Sir John A. Macdonald informed Mr. Langton, the Auditor-General, that there was a balance which was subject to some outstanding claims; but that fact does not appear to have been communicated by Mr. Langton to the new Ministers.

At various times between the resignation and November, 1875, Sir John A. Macdonald discussed this special fund with Mr. Drummond, Manager of the Bank of Montreal, and the position of the outstanding claims upon it. Mr. Drummond stated that he considered the authority of the Government would be requisite for dealing with it, on which Sir John stated that he would communicate with Mr. Langton on the subject.

In November, 1875, Sir John A. Macdonald visited Ottawa, and saw Mr. Langton upon the business. Thereupon Mr. Langton had a conversation with Mr. Drummond, who subsequently wrote Mr. Langton the following letter:—

“ BANK OF MONTREAL,

“ OTTAWA, 3rd Nov., 1875.

“ MY DEAR SIR,—The balance of credit of the special of Sir John A. Macdonald in this branch is \$32,179.04.

“ In view of this being closed under the arrangements you may have agreed on with Sir John, please send me such official instructions as to its disposal as may be requisite to authorize me to carry out the same.”

On November 4th, Mr. Drummond received the following reply:—

“ November 4th, 1875.

“ MY DEAR SIR,—I had an interview with Sir John Macdonald before I left Ottawa, in which he explained to me that the balance of Secret Service standing in his name was \$32,179.04. Of this \$6,600 is pledged for certain expenses incurred before the resignation of the late Ministry, and he wishes the balance to be deposited.

“ Be good enough, therefore, to deposit the \$25,579.04 to the credit of the Receiver-General, and send me a duplicate and triplicate of the deposit.

“ (Signed) JOHN LANGTON.”

On the 12th November, 1875, Sir John A. Macdonald drew a cheque on the account in question in his own favour for \$6,600, and another cheque in favour of the Receiver-General for the balance of \$25,579.04. The latter was deposited to the credit of the Receiver-General; the former was transferred to Sir John A. Macdonald's private account at Toronto. (?)

On the 12th November, Mr. Drummond wrote the following letter to Mr. Langton:—

“BANK OF MONTREAL,
“OTTAWA, 12th November, 1875.

“DEAR SIR,—The special Secret Service Fund account has been closed in the manner authorized by your letter of the 4th inst., by the accounting to Sir John A. Macdonald for \$6,600, the amount pledged by him as agreed with you, and transfer of the balance \$25,579.04 to the credit of the Receiver-General as per enclosed receipt No. 66.

“(Signed) A. DRUMMOND,
“Manager.”

After these transactions had been closed, Mr. Langton informed the Prime Minister, Mr. Mackenzie, of the receipt of \$25,579.04 revenue under the head of Secret Service, and also of the retention by Sir John A. Macdonald of the sum of \$6,600. It was not intimated to Mr. Mackenzie that this sum had been standing to the credit of a Committee of Council, and his impression was that it had been in the hands of Sir John A. Macdonald individually, and that he had disbursed it.

In this view, Mr. Mackenzie discussed the subject with Mr. Langton, who, on 23rd November, wrote Sir John A. Macdonald the following letter:—

“November 23rd, 1875.

“MY DEAR SIR JOHN,—When I mentioned to Mr. Mackenzie the other day the receipt we had had from you on account of Secret Service money, he requested me to call your attention to a resolution of the Committee upon Public Accounts, which was submitted to the House, and which you will find at page 173 of the Journals of 1872. I doubt whether there was any expenditure for Secret Service after that date, as I learn from the Bank of Montreal that the present balance had remained untouched for upwards of a year before the resignation of your Ministry, but Mr. Mackenzie intimated that he would expect a statement to be made of the payments made out of the \$6,600 which you withhold, as already pledged, in accordance with that resolution.

“(Signed) JOHN LANGTON,
“Auditor.”

To this Sir John A. Macdonald replied as follows:—

“TORONTO, 30th November, 1875.

“MY DEAR LANGTON,—I have yours of the 23rd, which absence from home has prevented me from acknowledging before.

“I do not think that the fund at my disposal comes within the resolution you refer to; but I shall wait on Mr. Mackenzie and explain the matter to him on the first opportunity. I would have done so had he been in Ottawa when I was there, but he had gone to the Maritime Provinces.

(Signed) JOHN A. MACDONALD.

Sir John A. Macdonald retained the sum of \$6,600, and during the session of 1876 was informed by Mr. Mackenzie, on three separate occasions, that the whole subject must be communicated to Parliament. He requested delay, however, partly owing to illness, promising to see Mr. Mackenzie in relation to the matter. He did not see Mr. Mackenzie to give the promised explanations until about the time of prorogation, when a conversation was had which did not result in any arrangement.

Shortly afterwards Sir John A. Macdonald paid \$6,000 to the Hon. Senator Campbell; \$600 he still retains for Mr. Pope.

The Committee abstaining, in view of the resolution of 29th May, 1872, from any public enquiry into the destination of the sums expended, have not investigated the specific dates at which all those claims arose, which were satisfied by payment

subsequent to the resolution of 1872; but it has been made to appear, with reference to the sum of \$600 retained to meet a payment made by the Hon. J. H. Pope, the member for Compton, that this claim arose in the summer of 1873, and consequently subsequent to the date of the resolution.

The English law and practice applicable to Secret Service moneys, so far as material to the present enquiry, seems to be as follows:—

(1.) When money is issued from the pay office to the Secretary of State as Secret Service money, the Secretary of State gives a receipt under his own hand for the money, which issued to him.

(2.) By 22 Geo. III., c. 82, it is provided that when the Treasury issues or directs the payment of money from the Civil list revenues for foreign Secret Service, the sum is issued and paid to one of His Majesty's principal Secretaries of State, or to the First Commissioner of the Admiralty, who shall, for his discharge at the Exchequer, within three years from the issue, produce the receipts of Her Majesty's Minister, Commissioner, or Consul in foreign parts, or of any Commander-in-Chief or other commander of His Majesty's Navy or land forces to whom the said money shall have been sent or given, that the same has been received for the purpose for which the same hath been issued; which said receipt shall be filed in the Exchequer in order to charge the said Foreign Minister or other officer with the same, and the said receipt shall be sufficient to acquit or discharge the said Secretary or Secretaries, or First Commissioner of the Admiralty in the said account at the Exchequer.

And any Foreign Minister or other officer who shall stand charged at the Exchequer for or by reason of any Secret Service money by him received, shall stand discharged and acquitted thereof if, within one year after his arrival in Great Britain, he shall either return the said money into the Exchequer or make oath before the Barons of the Exchequer, or one of them, in form following:

"I, A. B., do swear that I have disbursed the money entrusted to me for foreign Secret Service faithfully, according to the intent and purpose for which it was given; according to the best of my judgment, for His Majesty's service. So help me God."

And also, whenever it shall be necessary for the principal Secretary of State, or First Commissioner of the Admiralty, to make payment of any money issued for Foreign Secret Service, or for Secret Service, in detecting, preventing or defeating treasonable conspiracies against the State in any place within the Kingdom, then it shall be sufficient to acquit and discharge the said Secretary, or other Minister for him, or the Under Secretary of State in the office in which such Secret Service money hath been paid, or the Secretary of the Admiralty, to make out before the Barons of the Exchequer, or one of them, or before the Cursitory Baron, in form following:

"I, A. B., do swear that the money paid to me for foreign Secret Service, or for Secret Service, in detecting, preventing and defeating treasonable or other dangerous conspiracies against the State (*mutatis mutandis*, as the case may be), has been *bond fide* applied to the said purpose or purposes, and to no other; and that it hath not appeared to me convenient to state that the same should be paid abroad."

(3.) The practice enjoined by this Statute is acted on with reference to the parliamentary appropriation made from year to year for Secret Service, no portion of the civil list being any longer applied to Secret Service under the Statute.

(4.) Each out-going Secretary of State immediately renders an account, and transfers the money in his hands to the new Secretary of State, who starts with a fresh account, carrying on as the first item on the debit side the Secret Service money which has been transferred to him by the previous Secretary of State.

(5.) Since 1870, the amount expended during the fiscal year is entered in the Public Accounts for the year as expended for Secret Service.

(6.) Since 1870 the balance unexpended at the end of the fiscal year is surrendered to the Treasury in like manner as other balances of public funds.

The Canadian law contains no special provision for Secret Service expenditures, and consequently some of the special safeguards provided for by the English law are absent.

But it may be stated that, under the English practice, as it actually obtains at the present day, no audit is permitted of the purposes to which the Secret Service

money has been applied, nor are the names ever disclosed of the recipients, such audit having been decided to be inexpedient; and it is also the rule that the money voted for Secret Service each year is treated as actually expended when paid to the Secretary of State, who holds in England the same position with respect to such fund as the Sub-Committee appears to have held in Canada.

Under the Canadian law and Orders in Council, and the resolution of the Public Accounts Committee of May 29th, 1872, the practice should have been as follows:—

(1.) The Ministers in whose names the fund was placed should have certified that the money paid therefrom had been disbursed for the service of the country.

(2.) Any moneys standing to the credit of any Sub-Committee of Council on Secret Service should have been treated as remaining at the credit of the Sub-Committee, notwithstanding any change in the persons of the Ministers composing the Sub-Committee, and thus, in case any of such persons ceased to hold office, his interest in or control over the moneys would thereon end, and his successor in office would succeed to his rights and responsibilities in this as in other respects. The same rule would, of course, apply in the case of the resignation of all the members of the Sub-Committee.

(3.) If, however, it were supposed that, owing to the form of deposit or otherwise, any member of the Sub-Committee retained, after his resignation, control over the fund, or in case any of the fund had been, before his resignation, placed in the individual control of any member of the Sub-Committee for expenditure, but had not been actually disbursed, such individual could not, after his resignation, have any right to disburse the fund without the consent of the Government, but would be bound to hand it over to those who had succeeded to his responsibilities.

(4.) An account should have been kept of all sums spent after the resolution of the Public Accounts Committee of May 29th, 1872.

These provisions appear to have been disregarded. For example:

(1.) No certificate or voucher of the disbursing Ministers was given.

(2.) The entries made (without any such certificate) of amounts expended in the earlier fiscal years after Confederation, were, as compared with the bank account, varied therefrom.

(3.) The unexpended balances were not surrendered.

(4.) With reference to the expenditure of the vote for 1867-68, a sum was entered in the Public Accounts as actually expended in the fiscal year, and an assumed balance was carried forward as an asset. This practice was repeated for the two following years, and thereby Parliament was practically told that the amount entered as expended in each fiscal year had been actually expended in that year, and that the balance was being carried forward for expenditure in future years.

This course was, however, without any communication of the change departed from in the case of the large vote of \$75,000 for the service of the fiscal year 1870-71, the whole of which sum was entered as actually expended in that fiscal year, although at the close of the year \$50,764.04, or more than two-thirds of the amount, remained unexpended, \$35,000 of which was actually not placed to the credit of the Sub-Committee until three days after the close of the fiscal year.

(5.) No account of the sums spent for the Secret Service was kept after the resolution of the 29th May, 1872, which expressly stated that such an account should be kept for the purpose of a confidential audit.

It has been suggested that this resolution does not apply to moneys spent subsequent to its date in discharge of prior claims, and it is the contention of Sir John Macdonald that all the moneys had been, in effect, spent prior to that date, except the sum of \$600 by Mr. Pope.

(6.) Two sums, amounting in the aggregate to \$15,584, were drawn from the Secret Service Special Account, having been expended for purposes connected with the Red River troubles, were returned to the fund.

(7.) The outgoing Ministers did not inform their successors of the balance to the credit of the Sub-Committee of Council, or deal with them in respect thereof.

(8.) Over two years after his resignation, when another person was filling the office of Minister of Justice, and after Sir John A. Macdonald had ceased to have any legal or constitutional control over the fund, for the disbursement of which his successors were responsible, he drew therefrom the sum of \$6,600 before mentioned.

The Committee are of opinion as follows:—

(1.) That the course pursued, and hereinbefore specified, with regard to the Secret Service moneys was irregular, but worked no practical injury to the public interests.

(2.) That no accounts having been kept, and the cheques or papers having been lost or destroyed, an audit of the Secret Service expenditures has been rendered impossible, and would have been improper if it had been possible.

(3.) That it was the duty of the Auditor-General to have informed the new Ministers of the fact that there was a balance at the credit of the Sub-Committee of Council, and to have obtained the authority of the Ministers before giving Mr. Drummond the directions about the disposal of the money contained in his letter of November 4th, 1875.

(4.) That in case Secret Service moneys should at any time hereafter be voted by Parliament, it would be proper to provide further statutory safeguards against abuses in the application thereof.

The Committee are of opinion that it would be highly improper, and greatly to the detriment of the public interest, to require that a statement of the manner in which the Secret Service money has been expended should be laid before the Committee, and having limited the inquiry in that direction in the case now before them to the manner of the disposal of the unexpended balance which remained at the time of the resignation of the late Ministry, they do not think it advisable to allude to the disbursement prior to that time, further than to say,—

That it appears by the evidence and statements of Sir John Macdonald that all the engagements for expending the Secret Service money, except for the \$600 paid by Mr. Pope, were made prior to the passage of the recommendation of the Committee on Public Accounts in 1872. These expenditures were made by a Committee of the Privy Council, of which Sir Alex. Galt, Sir John Rose, Sir Francis Hincks, Sir John Macdonald, the Hon. W. P. Howland, the Hon. Mr. Tilley and the Hon. Wm. McDougall were members, and your Committee do not think that anything has appeared in the course of this investigation to justify suspicion that the fund has not been properly expended.

It appears that there have been some irregularities in the method of opening and keeping the accounts, but your Committee are of opinion that they are clerical merely, and do not affect any principle connected with the disbursements of money under the Service.

The frank admission of Sir John Macdonald strengthens the opinion of the Committee that the retention of the unexpended balance was irregular, and that it should have been handed over to the incoming Ministry, but the Committee are of opinion that Sir John Macdonald, in permitting the balance of \$32,179.04 to remain in the Bank of Montreal in Ottawa, which appears to have been untouched until it was finally disposed of in November, 1875, was actuated by a desire to reduce the amount claimed against it, and that he acted throughout in good faith and with a single eye to the public interest. The Committee also reports that it appears in evidence that all the sums expended from the Secret Service moneys, except the sum of \$600 before mentioned, were contracted and virtually expended prior to May 29th, 1872, and that they therefore did not come within the rule adopted by the Public Accounts Committee at that date, and that there is nothing in the evidence before us to justify the Government in attempting to recover by law the sum of \$6,600, alleged to have been retained by Sir John Macdonald out of the unexpended balance, but shown to have been fairly expended for the objects for which it was granted by Parliament.

Mr. Blake suggested that the proposed amended report be printed and distributed to the Members of the Committee before consideration, which suggestion was adopted.

HOUSE OF COMMONS,

RAILWAY COMMITTEE ROOM,
OTTAWA, 12th April, 1877.

Scroll of Select Standing Committee on Public Accounts.

Committee met.

MEMBERS PRESENT :

JAMES YOUNG, Esq., Chairman.

Messieurs

Archibald,	Harwood,	Pettes,
Blake,	Holton,	Plumb,
Bourassa,	Jones (Halifax),	Power,
Boyer,	Kirkpatrick,	Robitaille,
Burpee (Sunbury),	Landerkin,	Ross (Prince Edward),
Caron,	Langevin,	Rouleau,
Cartwright,	Little,	Rymal,
Charlton,	Macdonald (Toronto),	Scriver,
Colby,	Macdougall (Elgin),	Smith (Selkirk),
Delorme,	Mackenzie,	Snider,
DeVeber,	McCraney,	Thompson (Cariboo),
Domville,	McLeod,	Thompson (Haldimand),
Dymond,	McNab,	Thomson (Welland),
Fiset,	Metcalfe,	Tupper,
Fréchette,	Mills,	Vail,
Galbraith,	Mitchell,	Wood,
Gibbs (Ontario South),	Mousseau,	Workman and
Gibson,	Quimet,	Wright (Ottawa).
Goudge,		

The Committee proceeded to the consideration of Mr. Plumb's amendment in amendment to Mr. Charlton's proposed Report.

Mr. Plumb suggested as an amendment to Sub-Section 6 on page 27, that the words "apparently not expended" be struck out, and the words "expended for purposes connected with the Red River troubles" inserted in lieu thereof, which suggestion was adopted.

Committee deliberated.

The Committee divided on Mr. Plumb's amendment, and the names being called for, were taken down as follow:—

Yeas: Messrs. Caron, Colby, Gibbs (Ontario), Harwood, Kirkpatrick, Langevin, Little, Plumb, Robitaille, Rouleau, Tupper, Thompson (Cariboo), and Wright (Ottawa).— 13.

Nays: Messrs. Archibald, Blake, Bourassa, Burpee (Sunbury), Cartwright, Charlton, Delorme, DeVeber, Dymond, Fiset, Fréchette, Galbraith, Gibson, Goudge, Jones (Halifax), Landerkin, Macdougall (Elgin), Mackenzie, McCraney, McLeod, McNab, Metcalfe, Mills, Pettes, Power, Ross (Prince Edward), Rymal, Scriver, Smith (Selkirk), Snider, Thompson (Haldimand), Thomson (Welland), Vail, Wood and Workman.— 35.

The Chairman declared the amendment lost.

The motion for the adoption of Mr. Charlton's proposed report on Secret Service funds was then put and carried on the following division:—

Yeas: Messrs. Archibald, Blake, Bourassa, Burpee (Sunbury), Cartwright, Charlton, Delorme, DeVeber, Dymond, Fiset, Fréchette, Galbraith, Gibson, Goudge, Jones (Halifax), Landerkin, Macdougall (Elgin), Mackenzie, McCraney, McLeod, McNab, Metcalfe, Mills, Pettes, Power, Ross (Prince Edward), Rymal, Sriver, Smith (Selkirk), Snider, Thompson (Haldimand), Thomson (Welland), Vail, Wood and Workman.—35.

Nays: Messrs. Caron, Colby, Gibbs (Ontario South), Harwood, Kirkpatrick, Langevin, Little, Plumb, Robitaille, Rouleau, Thompson (Cariboo), Tupper and Wright (Ottawa.)—13.

Mr. Charlton moved that the motions, proceedings and votes of the Committee on this reference be reported to the House.—Carried.

The Committee then adjourned to the call of the Chair.

(Attest),

EDWARD P. HARTNEY,
Clerk of Committee.

FOURTH REPORT

OF THE

SELECT STANDING COMMITTEE

ON

PUBLIC ACCOUNTS;

RELATING TO WORK PERFORMED ON

GEORGIAN BAY BRANCH.

Printed by Order of Parliament.



OTTAWA:

PRINTED BY MACLEAN, ROGER & CO., WELLINGTON STREET

1877.

REPORT.

The Select Standing Committee on Public Accounts beg leave to present as their

FOURTH REPORT

The evidence taken in reference to the expenditure for work performed under contract on the "Georgian Bay Branch," as shewn on page 247, part II, of the Public Accounts under the head of "Railways"; together with several of the documents submitted to them and appended thereto (marked 7, 11, 12, 13, 14, 15 and 16), which they respectfully submit for the information of your honourable House.

JAMES YOUNG,
Chairman.

COMMITTEE ROOM,
Monday, 23rd April, 1877.

MINUTES OF EVIDENCE

RAILWAY COMMITTEE ROOM,
OTTAWA, Wednesday 4th April, 1877.

Committee met.—MR. YOUNG in the Chair.

SANDFORD FLEMING, Esq., being in attendance, submitted the following letters which were read:—

(1.)

CANADIAN PACIFIC RAILWAY,
OFFICE OF THE ENGINEER-IN-CHIEF,
OTTAWA, 28th September, 1875.

SIR,—In accordance with instructions, I have ascertained the weight and approximate value of the rails delivered up to this time, near Renfrew, on the Canada Central Railway by the Honorable A. B. Foster, and said to be delivered on account of the Canada Central Railway, subsidized by the Government.

The invoice of these rails gives the weight 648½ tons. This, I have no doubt, is correct, as the number and length of the rails has been checked on the ground.

648½ tons, valued at \$48 per ton, amounts to..... \$31,128 00

75 per cent. of which is..... 23,346 00

I am, &c., &c.,
(Signed) SANDFORD FLEMING,
Engineer-in-Chief.

Hon. A. MACKENZIE,
Minister of Public Works,
&c., &c., &c.

(2.)

CANADIAN PACIFIC RAILWAY,
OFFICE OF THE ENGINEER-IN-CHIEF,
OTTAWA, 27th October, 1875.

SIR,—Enclosed will be found a return of Rails delivered by the Hon. A. B. Foster near Renfrew Station, on the Canada Central Railway, and said by that gentleman to be an account of that portion of the railway subsidized by the Government.

The total weight according to the return referred to is tons	1,906·5
Deduct weight of rails referred to in my letter of Sept. 28th last.....	648·5
To balance tons.....	1,258
Valued at the same rate \$49 per ton.....	\$60,384 00
75 per cent. of which is.....	\$45,289 00

I am, &c., &c.,

(Signed) SANDFORD FLEMING,
Engineer in Charge.

HON. A. MACKENZIE,
Minister of Public Works,
&c., &c., &c.

(2.)

OTTAWA, 27th Oct., 1875.

Memorandum of iron rails delivered at the Renfrew Station of the Canada Central Railway by the Hon. A. B. Foster, and said to be delivered on account of the portion of the Canada Central Railway subsidized by the Government.

Iron rails, 60 lbs per yard, previously returned, tons.....	648·5
Iron rails of 56 lbs per yard, 5,826 rails, 24 feet long, 530 rails, 21 feet long.....	1,258
Total tons.....	1,906·5
Deduct previous return.....	648·5
Tons.....	1,258

(Signed) THOMAS RIDOUT,
Engineer in Charge.

SANDFORD FLEMING, Esq.,
- Engineer in Charge.

After which Mr. FLEMING was called and examined :

By Mr. Kirkpatrick :—

1. These, you believe, are the only certificates given?—I think these are the only certificates.
2. Were these given in connection with work done upon the subsidized portion of the Canada Central Railway?—I think so.
3. You received the instructions from whom?—My instructions were the Order in Council in part, and also verbal instructions from the Minister of Public Works, to whom Mr. Foster made application for payment for the rails delivered.

By Mr. Mackenzie :—

4. You probably mean the Deputy Minister?—The Department of Public Works.

Mr. MACKENZIE—I would say that the rule in the Department is that when contracts are entered into, probably the political head of the Department never sees any account at all. The chief engineer of each Department makes out the estimates according to the authority he has, and it is only when some question arises as to the legality of any payment that the matter comes before me. For instance, I do not think I have seen a single estimate of the Welland Canal for a year. They never come before me. In passing through the Department, of course, they are certified by the chief engineer of the Department, and the sum applied in accordance with the contract.

By Mr. Kirkpatrick :—

5. Then, Mr. Fleming, you are responsible for the payment of this money to Mr. Foster?—I am responsible for my certificate.

6. Do you know that that is in accordance with the Order in Council?—I think so.

7. Was it in accordance with the Order in Council of 4th November, 1874, which says that payment of the subsidy may be made on rails delivered at any point of the line to be constructed, to the extent of seventy-five per cent. of the value thereof; what part of the line was about to be constructed?—From Renfrew west.

8. The Order in Council says the road was to be built upon a line from the vicinity of the village of Douglas?—Well, I consider that the rails were substantially delivered at or near the place where the road was to be constructed.

9. Are they delivered at any point of the line to be constructed, as directed by this Order in Council?—They are practically on the line.

10. Do you know how far they are from the village of Douglas?—I don't know; I never was there.

11. Did you take any steps to find out?—Yes; I sent up two persons to ascertain as to the delivery of the rails and the quantity.

12. And as to the place where they were delivered?—I took it for granted they were delivered at the proper points.

13. On whose word did you take that?—On the word of Bidout, our engineer, whom I sent up.

14. Did they certify to you that they were delivered on the line to be constructed?—I am not sure that this was entered on the certificate. The certificate says " memorandum of rails said to be delivered on the line of Canada Central Railway."

15. Said, by whom?—By Mr. Foster.

16. By the contractor?—Yes.

17. You took his statement that these rails were delivered?—Yes; he claimed that they were delivered on the extension of the Canada Central and he claimed that they should be paid for under the Order in Council.

18. You don't know how far Renfrew is from Douglas?—I think about ten miles.

19. Did you know that at that time?—I think I did; I have no doubt I did.

20. How did you ascertain the value of the rails?—I probably took the value of

rails delivered at Montreal at that time, and then made allowances to cover cost of taking them to where they were deposited.

21. What did you allow for the value of the rails at Montreal?—I can't tell you now. I have no doubt I ascertained their value there and the cost of delivering them at Renfrew.

22. The value at that date?—I think so.

23. That is to say in September, 1875?—In October, 1875.

24. You think the value of rails delivered at Renfrew was how much?—I took the means of ascertaining an approximation to the value of rails delivered at Renfrew at that time.

25. How did you take means?—I can't recollect the way in which I ascertained the value just now.

26. Was it Mr. Foster's own statement to you?—No, it was not. I may have been governed to some extent by his own statement, but I did not take that alone.

27. Did you inquire from any person in the business, or in the trade, as to the value of iron rails?—I cannot tell you now.

28.—Did you take advice from any person at Ottawa as to the price?—I don't know, I am sure; I cannot tell you at this moment.

By Dr. Tupper :—

29. I understand you to say that instructions to ascertain as to the quantity and character of these rails were given by you?—The instructions were given by me.

30. I understood you to say that it was in consequence of verbal instructions given by the Minister of Public Works that this examination was made?—The instructions were conveyed to me by some one else.

31. Who conveyed the instructions?—I think it was Mr. Trudeau, the Deputy Minister.

32. Then your attention was called by the Public Works Department to make a survey, and report as to the rails that were delivered under this Order in Council?—Yes; my instructions were to ascertain as to the delivery of the rails, their quantity and value.

33. You have heard the Minister of Public Works say that he considers you responsible for the payments made; you say that you are responsible for the payments?—I am responsible for the letter I wrote.

34. I want to know if your attention was drawn to the Order in Council under which these payments were made?—Yes.

35. It was drawn?—Yes.

36. Are you aware that the Order in Council provides that in order to be entitled to any payments, the Company shall furnish evidence to the Government that they have provided sufficient means to secure the completion of the line on or before the first day of January, 1877, and also that the Company shall, from the date of such contracts, make continuously such progress as will justify the hope of the completion of the line within the time mentioned; are you aware that this was the provision of the Order in Council?—No doubt I was aware.

37. Has the line for the construction of this road from Douglas to Burnt Lake been located?—It has not been finally located.

38. Has there been any railway work constructed in the shape of building the railway at all?—I don't know that there has been any.

39. So that on the 1st October, 1875, when you were called to certify with relation to these rails, you were aware that under the Order in Council which required that the line should be completed on the first day of January, 1877, and also that the company should, from the date of the contracts, make continuously such progress as would justify the hope of the completion of the line within the time mentioned,—I want to ask you if you supposed it possible on the 1st October, 1875, that this requirement of the Order in Council could be complied with?—I don't think I was called upon to dictate to the contractor what work he should do first.

40. But you say you were responsible. The Minister of Public Works has said you were responsible; and I want to know whether, with this Order in Council in

your hand, you did not consider it your duty to ascertain that the works were going on, on account of which the payments were to be made—whether, in fact, there was a reasonable ground for the hope of the completion of the line within the time mentioned?—The best answer I can give to that is the delivery of the rails. That shows that the contractor was in earnest.

41. I am not asking you whether the contractor was in earnest. No doubt he was in earnest in desiring to get a large sum of money into his pocket. But what I want to know is whether the Chief Engineer felt that such progress was being made under the contract as to justify the payment of one dollar under the contract?—I think he was.

42. You tell me that a year after the contract was made, not one blow had been struck by the contractor?—A good deal had been done. The contractor had spent a good deal of money in making surveys.

43. He had spent money in making surveys, but no work was done. I am speaking of the actual work of building the railway. You have stated that the line was not finally located. No practical work of construction could be performed until the location of the line?—I look upon the making of surveys as work as well as the delivery of rails.

44. Don't you draw any distinction between the preliminary surveys for the location of the line and the actual work of construction?—They are different classes of work. We don't begin grading till the surveys are completed.

45. Of course the preliminary surveys are necessary; they are as necessary as the rails to the building of a railway. But I want to ask you whether, in October, 1875, you believed or had any hope that the line of railway from Douglas to Burnt Lake would be completed by the 1st January, 1877?—I had every hope that the work would be undertaken and completed with reasonable despatch. I do not say that I had any expectation that the work would be completed within the time mentioned in the contract. It is not usual for work of that kind to be completed within the time mentioned.

46. Would you state, from your experience as an engineer, the time that you would consider a reasonable time to have the road in operation, from the time that the first blow was struck and the first sod turned?—I could not tell you off-hand. It would require some time.

47. Could you tell me within six months what you consider a reasonable time?—Yes, I could tell you in a week.

48. I mean, could you tell me what would be a reasonable time, within six months, for the completion of the railway?—I am not prepared at this moment to give an opinion on that question, but I could give you an opinion in a few days.

49. Would you be good enough to prepare an opinion in answer to my question as to the time that would be necessary for Mr. Foster to finish the line and have it in operation, from the time that he commenced the practical construction; would you be good enough to inform me,—you say that a large sum of money had been spent by Mr. Foster on Surveys,—would you state what force Mr. Foster ever had employed, or what amount of money he has ever paid for surveys between Douglas village and Burnt Lake?—I have not access to Mr. Foster's books, and I cannot answer that question. I know that he had surveying parties out there for some time.

50. Between Douglas and Burnt Lake?—Between Douglas and Burnt Lake.

51. To whom was the money paid, are you aware?—I could not tell you. I imagine it was to Mr. Foster, but I don't know.

52. Are you aware that, by the 5th section of this Order in Council, the payment of the subsidy was only to be made on completion of the railway in sections of not less than twenty miles, each payment to be made on the certificate of an engineer that a section or sections had been completed, "payment may, however, be made of an amount equal to the subsidy on twenty miles, on work extended over a larger distance, which, in value, will be equivalent to not less than twenty-five miles of finished roadway; payment will also be made on rails delivered at any point of the line to be constructed, to the extent of seventy-five per cent. of the value thereof, such

rails to become the property of the Government until they are laid on the road for use." Would you take that to warrant payment for rails dumped down ten miles from the proposed line, without reference to any work actually in progress?—Yes, I think it would. It is impossible to deliver the rails at any given portion of the line; the cost of carrying them in waggons would be enormous. They must be deposited at the end of the nearest rail or water communication. I take it that Renfrew was the nearest base of railway communication.

By Mr. Mackenzie:—

53. You remember, Mr. Fleming, that we counted the length of the Georgian Bay Branch at from 85 to 90 miles?—Yes.

54. And that the Order in Council covered 120 miles, or thereabout, from that point?—Yes.

55. Very well; do you recollect that we estimated that the 120 miles would come somewhere between Douglas and Renfrew?—Yes; I think I do.

56. And the connection was to be made at Renfrew; that was perfectly understood?—Yes.

By Dr. Tupper:—

57. That is in the vicinity of Douglas?—Renfrew is in the vicinity of Douglas.

58. There may be a difference of opinion as to what vicinity means; are you aware that the distances so far estimated and submitted to Parliament, that those laid upon the table as far as verified have exceeded and not lessened; that is to say, that the Georgian Bay Branch is considerably longer than at first calculated?—I am not prepared to say.

59. In making an estimate of this kind it is in general the case that the line when it comes to be surveyed and located is shorter than the estimated distance?—Sometimes it is; sometimes it is not.

60. So that the 120 miles from Burnt Lake may terminate considerably to the west of that settlement?—Possibly.

61. So that your rails may be further from the point of commencement of the 120 miles than you suppose?—Or they may be nearer.

62. You don't take into consideration that it was your duty at all to take into consideration the question whether the contractor shall be making such progress as shall lead to the fulfilment of the contract?—I certified for no works except the delivery of rails.

63. That is not an answer to the question; I ask you whether you considered it the duty of the Chief Engineer, when certifying for large sums of money, to draw the attention of the Department of Public Works to the fact that no work was going on?—I was aware that the contractor was making extensive surveys and had delivered rails; I knew that he meant business.

64. You say that you were aware that the contractor was making vigorous efforts for the survey of the line; will you be good enough to state whether you thought it possible to complete the contract from 4th November, 1874, to 1st January, 1877, when, after the most vigorous efforts that the contractor could make he had not the line located or a blow struck a year and a half afterwards?—The time was certainly very short, and inadequate to allow the work to be done in the time; but of course he was better aware of his own resources than I was.

65. Were you consulted as Chief Engineer, after the Order in Council was passed, as to whether it was practicable to accomplish the work in the time mentioned in the contract?—I do not remember.

66. And you did not consider it any part of your duty to report to the Government that no work was being done; I have one more question—Do you consider that it was a judicious application of the money of the contractor to purchase these rails before he had succeeded in getting a line located?—I don't think I had anything to do with that; it was not for me to dictate anything about it.

By Mr. Kirkpatrick:—

67. Did you state whether the instructions that were given to you were in writing?—I think they were not; I am almost certain they were not.

68. What were the instructions, were they directing your attention to this Order in Council; were not your instructions simply to ascertain the quantity of rails delivered by Mr. Foster at Renfrew?—I believe that Mr. Trudeau sent for me to his office, and said that Mr. Foster had delivered a quantity of rails and wished to be paid for them. Mr. Trudeau wished me to ascertain whether the rails were delivered and to report to the Department.

69. Your instructions were simply to ascertain whether the rails had been delivered at Renfrew?

Mr. MACKENZIE—No, no; to give a certificate under the Order in Council.

By Mr. Kirkpatrick:—

70. Can you fix in your memory that he told you to give your certificate under this Order in Council?—I do not remember the exact words he used, but his instructions were to report to the Department as to the delivery of the rails.

71. When you sent Mr. Ridout up there, was it before the first letter or afterwards?—Ridout, who was placed in charge of the subsidized portion of the Georgian Bay Branch, was not available when the first application was made, and I sent Mr. Burpee to see whether the rails were delivered or not, to examine the invoice, and check the number and the length of the rails, and to ascertain if the weight given in the invoice was right.

72. Have you that invoice with you?—I have not. I don't know that I ever saw it. I sent up to satisfy myself as to the weight of the rails. I may state that on the second application Ridout was on hand, and I sent him up to see how many rails were delivered there and to report to me. I have his report now in my hands.

73. Did you see if any transfer of these rails was taken by the Government; any writing or other transfer?—The payment made on the property was the transfer. The Order in Council did not prescribe any form of transfer. We accepted the rails.

74. Where are the rails?—They were placed in charge of Mr. Ridout.

75. On whose property?—On the property of the Canada Central, I think.

76. Would you be surprised to learn that the quantity of rails that you certified to are not there now?—I would be surprised.

77. You don't know what quantity of rails are there now?—I am aware that some of the rails were borrowed, but I would be surprised to learn that they were not returned.

78. Who borrowed them?—The Canada Central, or some one engaged on that line.

79. Who applied for them?—I think it was Mr. Chaffee; he is the agent either of Mr. Foster or of the Canada Central. I am merely aware of that.

80. When did you become aware of it?—Within the last two months.

81. Who told you?—I learned it from Mr. Trudeau.

82. Who did he apply to?—To Mr. Trudeau.

83. What quantity has been borrowed?—One hundred tons.

84. When were they borrowed?—I can't answer that question. Some months ago; I think in the fall of the year.

85. Was there any Order in Council allowing him to have the rails?—I don't know; there was some security deposited to cover the value of them till they were returned.

86. With whom?—With Mr. Trudeau or the Public Works Department.

87. What kind of security?—I don't know.

88. What value was put upon them?—I don't know.

89. Do you know what material or brand these rails are?—I don't know.

90. You know that under Mr. Foster's contract with the Canada Central he was to supply everything of the best material. Are you aware if these rails are of the best material?—I am not aware.

91. You don't know what brand they are?—I don't know the brand.

92. Does not a difference of brand make a difference in the rails?—The Order in Council does not prescribe any brand.

93. How did you ascertain the value of the rails if you did not ascertain the brand?—The value was ascertained approximately.

94. Did you not ascertain the value from Mr. Foster?—I did not. I have no doubt he told me, but I was not guided by that.

95. What did he value them at?—I cannot tell you.

96. Did you know what the value of iron rails was at Montreal in November 1874?—I cannot say at this moment.

97. Do you remember that there was a purchase of steel rails in 1874?—I cannot say.

98. Do know that it was about \$55 per ton delivered at Montreal?—I have no doubt it was, but I cannot remember.

99. Do you know that there was a considerable decline in the value of rails during that year?—Yes, there was a decline during that year.

100. Do you think that a year after that, rails were worth anything like \$48 a ton?—Yes; I think they were. They might have been had cheaper, but \$48 per ton was not far from their value, that is, where these rails were delivered.

101. What would be the freight on these rails from Montreal to Renfrew?—It is impossible for me to answer that at this time.

102. Will you please, before next meeting of the Committee, find out the data on which you arrived at this value. Are you aware that there was a lot of rails sold at Belleville in September, 1875, at \$33.50 per ton?—If they were sold at that price, it would not affect the value of rails generally.

103. Do you know the value of the rails to-day?—I do not.

104. I notice that these rails were of two weights, 60 pounds and 56 pounds?—Yes.

105. Is that a good mode of buying rails; did you recommend that?—I was not consulted as to the weight of the rails; I was guided solely by the Order in Council.

106. Would you recommend having rails of various weights?—I would recommend having rails of one length and one pattern, not so much one weight as one pattern.

By Dr. Tupper:—

107. You estimated that the distance was 120 miles, and that as there was one fixed point at Burnt Lake, it might overlap Renfrew and come nearer to the village of Douglas?—Yes.

108. Suppose you made a contract from Ottawa to the vicinity of Toronto, when would you consider that you were within the terms of the contract?—I don't quite understand.

109. The term used in the Order in Council is "vicinity." Would you consider within eight or ten miles to be in the vicinity of Toronto?—I should think so.

110. This Order in Council provides for the construction of a railway from the vicinity of Douglas to Burnt Lake. Would you not be within the contract if you were in the outskirts of Douglas, on the other side?—Allow me to suggest that that is not the whole Order in Council. The Order shows that connection is to be made with the Canada Central. The name itself is the Canada Central.

111. Would not Mr. Foster be within the terms when they touched the vicinity of Douglas on the west side?—I think not. The object of the Order in Council was to extend the Canada Central to Burnt Lake, 120 miles.

112. There is no 120 miles referred to; the Order in Council says nothing about distance. The subsidy is \$12,000 per mile on a road ascending the valley of the Bonrechere, from the vicinity of the village of Douglas westward, to the eastern end of the branch railway proposed to be built from Georgian Bay by the Government. The 120 miles was the estimated distance. Now, in the express terms of the Minute of Council, would not Mr. Foster, commencing his road on the western side of Douglas, fulfil the requirements of the contract?—I think not; it was contemplated that the Canada Central should reach Douglas first.

113. I am not speaking of what is contemplated; I am speaking of the terms of

a written agreement. The contract is in the terms of a Minute of Council, which does not oblige the Government to pay any subsidy, except for a life from the vicinity of Douglas westward to Burnt Lake.

Mr. MACKENZIE—The Order in Council mentions "about one hundred and twenty miles."

Dr. TUPPER—That is an estimate.

By Mr. Kirkpatrick :—

114. Are you aware that Mr. Foster asked the Government to change this Order in Council so as to make the subsidized portion of the Canada Central commence at Renfrew instead of Douglas?—I cannot remember whether that is the fact.

By Mr. Mackenzie :—

115. Dr. Tupper asked you about the time it would take to construct that road. He also asked you whether the mileage upon a close survey would not be almost certain to exceed the mileage originally contemplated. Do you remember the mileage originally contemplated from Thunder Bay to Red River?—I don't remember.

116. Do you know what the mileage is now?—Yes; 410 miles.

117. Do you remember that the least mileage we could give was about 416 to 420 miles?—The mileage has been reduced, I know. The actual mileage now upon that part is about 409½ miles. It is considerably less than was originally estimated.

By Dr. Tupper :—

118. Was that due to the change from Rat Portage to Red River?—No, it is due more to the nature of the intervening country.

119. But which is the shortest?—To Selkirk is the shortest.

120. Then you have shortened the line by changing the location?—No, the distance is less from Fort William than we estimated it a year or two ago.

By Mr. Mackenzie :—

121. Dr. Tupper asked you whether you were consulted by the Government about the possibility of finishing this line by the 1st January, 1877. Were you consulted by the late Government as to the possibility of completing the line from Lake Nipissing to the Pacific in ten years?—Yes, I was.

123. You said it could not be done?—I said it could not be done.

By Mr. Kirkpatrick :—

123. Did you enter into a contract binding yourself to do it in ten years?—I did not.

124. Were you not one of the contractors?—No, I was not. Sir John Macdonald could tell you all about that.

125. Now, coming to the Georgian Bay Branch, have you got the papers showing to whom the money was paid?—The Hon. A. B. Foster is the party to whom the payment was made.

By Mr. Tupper :—

126. Had you heard that the Hon. Mr. Foster was in great difficulties with Mr. Bolekow, the principal contractor on the Canada Central?—I had not at the time these papers were prepared.

127. You did not consider it necessary therefore to take means to assure yourself that this property was in a position to be transferred by Mr. Foster to the Government?—I did not consider it my duty at all. Here was a contractor who claimed to be paid for the rails delivered under the Order in Council.

128. You had no means of assuring yourself whether these rails were in a position to be taken over from him?

By Mr. Kirkpatrick :—

129. Have you the account of the Georgian Bay Branch of the moneys paid for the survey?—I think so; yes here they are.

(Account put in marked 3.)

130. Can you tell the Committee why this contract was cancelled?—There is an Order in Council recently issued with regard to it. I cannot lay my hand on it just now. The work was not being proceeded with with sufficient rapidity.

131. It was not on account of the route not being favourable?—No.
132. Did you give any certificate that no favourable route could be found there?—I did not.
133. Are you aware that Mr. Shanly gave some report that the difficulties of the route were very great?—Yes; but I don't agree with Mr. Shanly.
134. Has there been a survey during the past summer up there?—There has been a survey on the Georgian Bay Branch last summer.
135. Did they find out a favourable line?—They found a favourable line from the Georgian Bay to the point called the Eastern terminus.
136. From what point on the Georgian Bay?—From French River, from Cautin's Bay on French River.
- By Mr. Musson:—*
137. There is no difficulty from that point to the mouth?—No.
138. Then there has been a feasible route found along the line which Mr. Foster had contracted to build?
139. Along or near?—Mr. Foster had contracted to build from the mouth of the French River. The line surveyed was from Cautin's Bay, some distance up French River.
140. How far up?—About twenty miles up French River, I think.
- By Mr. Plumb:—*
141. Is the navigation of the river good?—The navigation is not complete now, but it is not worse than any other navigable river except at one point near the mouth, it can be rendered navigable.
142. What was the object then of encountering that twenty miles of difficult navigation?—It is not finally settled upon yet; it is simply under consideration.
- By Mr. Kirkpatrick:—*
143. What amount of money has been paid to Mr. Foster on account of the survey of this Georgian Bay Branch?—According to the statement I hold in my hand, \$41,000 has been paid.
144. Did he produce vouchers for all that sum?—Vouchers have been produced, I think.
145. Have vouchers been produced for all that amount?—I am informed by the accountant that vouchers have been produced for nearly the whole amount.
146. Are there not \$1,200 there that have not been paid to Mr. Foster yet? Are there not accounts there that have not been paid to him?
(Mr. Palmer, accountant, said the vouchers are not quite complete; some small accounts are not quite complete.)
147. There is an item there; you took over some camp equipage and stores delivered by Mr. Foster?—I cannot answer this question.
- By Dr. Tupper:—*
148. You say you have not seen the vouchers for the payment of the \$41,000?—I have not seen them except the outside.
149. Are you aware that the Order in Council requires that the payments shall be made on the certificate of the engineer, and do you hold yourself responsible for the payment of the \$41,000?—No; I have not certified at all for the payment of the \$41,000.
150. You have not seen the vouchers, and have not certified the payments?—No.
- By Mr. Kirkpatrick:—*
151. There are certain works that you paid Mr. Foster for, about the mouth of the French River, a wharf and what else?—Yes; a wharf and some buildings.
152. Where?—At the mouth of the French River.
153. Will they be of any use to us now, when the railway is not going within 20 miles of the mouth of the French River?—Yes; I hope so, for vessels will continue to pass the wharves at the mouth of the river.
- By Mr. Mackenzie:—*
154. Was not that made our depôt last season?—Yes; these buildings were used.
- Mr. MACKENZIE:—I would just state that the Order in Council provided that

such portions of the wharves, stations, &c., as could be made use of for the survey should be paid for. We require storehouses there.

Mr. MASSON:—These works are at the mouth of French River and the Railway will be 20 miles from the mouth.

Mr. MACKENZIE:—Mr. Fleming said it was a matter for consideration whether it should go there or not. The only point is whether it is cheaper to take the line to the mouth of the French River or to go to Cantin's Bay. If our last year's operations should be continued, and everything is as favourable as we have reason to believe they will be, we shall be able to get a line straight from Cantin's Bay to the mouth of Nipissing River. The buildings are of essential service to the railway in any case.

By Dr. Tupper:—

155. I would like to ask you, Mr. Fleming, if you were consulted as Chief Engineer relative to the road from Burnt Lake to the mouth of French River?—I was consulted with regard to the specifications; I drew up the specifications.

156. You are aware that Mr. Foster has been relieved of that contract made in the fall of 1874?—I am aware.

157. Do I understand you to state that having surveyed the line this last summer, you found that there were not the difficulties that he reported to the Government?—I found no insuperable obstacles.

158. So that the \$41,000 is paid to Mr. Foster without the Chief Engineer's certificate, without any vouchers being seen by him, and Mr. Foster is relieved from his contract?

Mr. MACKENZIE objected to leading questions of this nature.

Mr. PALMER was then called and examined:

By Mr. Mackenzie:—

159. Were not vouchers furnished for all these payments?—Yes.

Dr. TUPPER:—The law requires that the payments shall be made on the certificate of the Chief Engineer. It is in evidence that he had given no certificate for the payment of \$41,900; and that the line which Mr. Foster was allowed to throw up, has been ascertained by the Chief Engineer to be perfectly practicable.

Mr. FLEMING's examination resumed:—

By Mr. Mackenzie:—

160. Mr. Fleming, you are aware that under the contract for building the Georgian Bay branch, the contractors had to do the surveying themselves?—Yes.

161. Suppose the Government had done the surveying of that 95 miles, would it have cost us as much as it has cost up to the present time. What has been the average cost elsewhere?—I could not say; but I imagine that it has cost about the same. I said just now that I had not seen the vouchers, but I meant that I had not minutely examined them. They were examined by another party.

Mr. MACKENZIE—If you take the average mileage spent on these surveys, you will find the amount expended on continuing the contractors' surveys is much less than the cost of surveys on the whole line.

By Mr. Plumb:—

162. I would ask the Chief Engineer whether the surveys have been as complete as elsewhere?—I think so.

By Mr. Kirkpatrick:—

163. Do you know whether any of this money charged to Mr. Foster and paid to him was spent on the survey of the Canada Central?—I don't know whether any part of it was paid to him. I understand that the expenditure covered by the \$41,000 was confined to the Georgian Bay Branch.

164. How do you understand that?—From Mr. Palmer.

165. You don't know it from your own knowledge?—Not from my own knowledge. The surveys were made for Mr. Foster by parties who had been with my own

staff, and I know that they had been conducted very much in the same way as they would have been under my own directions, and probably with equal efficiency.

166. Mr. MAJKENZIE—I wish to ask Mr. Palmer a question. Of course we require the certificate of the engineers who conducted the surveys, and my understanding was that we would not only have Murdoch, who was the contractor's chief engineer, but that we should have his certificate as to the amount expended on the Georgian Bay Branch. I wish to ask Mr. Palmer what certificates he got as vouchers for the amount which was being spent on the Georgian Bay Branch.

Mr. PALMER—We got Mr. Murdoch's certificate and Mr. Shanly's.

By Mr. Kirkpatrick :—

167. I would like to ask Mr. Fleming a question with regard to Fort Francis. Have you been up to Fort Francis?—I have passed through that way.

168. Do you know that there is a lock there?—I know that there is a lock being constructed there.

169. Have you recommended the construction of that lock?—I don't know that I have.

170. Have you recommended the construction of the lock either verbally or in writing?—I do not remember having specially recommended the lock.

171. Have you specially or in any other way recommended it?—I don't know; I can't tell you.

172. You say you cannot tell me whether you recommended the construction of a lock on a work in connection with the Pacific Railway?—I cannot say that I specially recommended the construction of that lock.

173. Have you in any way recommended it?—I don't know that I have.

174. Have you approved of the construction?—I may incidentally have suggested the construction of the lock in this way: I may have suggested it in connection with the improvement of the whole of the Dawson route, otherwise the Red River water communication; I may have suggested in this connection the construction of a lock at Fort Francis.

175. Have you ever recommended the construction of the Lock as a single work?—As a single work I think not.

By Mr. Mackenzie :—

176. You will remember of course that we had many long consultations about the most expeditious mode of reaching the extreme west end of Lake of the Woods by rail and water communication?—Yes.

By Mr. Kirkpatrick :—

177. I understand that you have never recommended this work as a part of the Pacific Railway?—I don't remember, I have a poor memory; I would be glad to be asked leading questions; I don't wish to keep back anything, I wish to give the fullest possible information.

178. How far does the line of Pacific Railway, as now located between Fort William and Selkirk, go from Fort Francis?—I could not say, not having measured it, but I think it is 70 or 80 miles, more or less, in an east line.

179. Are you aware that to communicate and make the lock at Fort Francis of use, several other works have to be undertaken for the improvement of the waters there?—To render the connection of the Pacific Railway complete, between Thunder Bay and Lake of the Woods, other works would have to be undertaken, and considerable works.

180. And we should need other works to render the water communication complete from Port Savanne?—Yes.

181. I am asking about the connection between Port Savanne and Fort Francis?—A great many works would be wanted; the lock at Fort Francis is one of them.

182. Do you know how many portages there are between Port Savanne and Fort Francis?—I don't remember.

By Dr. Tupper :—

183. Contracts have been let on the Canadian Pacific Railway from Thunder Bay to Port Savanne?—Yes.

184. And they have also been made on Red River to Rat Portage?—Yes.
185. Do you consider that the construction of the lock at Fort Francis, and the improvement of the communication between Port Savanne and Fort Francis is likely to facilitate the construction of the Pacific Railway?—To some extent.
186. In what way?—I cannot very well explain.
187. Is there any connection at English River?—There is a contract from Fort William to English River. Between English River and Rat Portage there are 180 miles to be constructed. The country is very inhospitable. It is intersected by streams; canoe navigation with short portages between. They all or nearly all lead to Rainy Lake. In that way the improvement in progress at Fort Francis will be of some service in getting in supplies.
188. I understood you to say that a large quantity of other work would be required?—To make it an independent line; but to get in supplies the lock would be of service.
189. Would you expect to get in your supplies over the road that is now under contract from Red River on one side and Thunder Bay on the other; or to take them round?—In both ways. The works will be supplied from the west as well as from the east.
190. Would you propose to go over this line with a number of portages for the transport of rails to Red River?—I think not.
191. Would you carry them over your road as you build it?—I think we would carry them in as we go on.
192. Then you have not recommended this lock at Fort Francis as part of the Canadian Pacific Railway, and with a view to its construction?—Well, the matter has been considered over and over again in connection with the Pacific Railway.
193. But you have not suggested it?—I think I have; but not made any special recommendation.
194. Are the payments made for the work at Fort Francis made on your certificate as Chief Engineer of Pacific Railway?—They are not.
195. Then you don't consider them part of the Pacific Railway?—The expenditure is made part of the Pacific Railway expenditure now.
196. Are you aware that your certificate is required by law for work on the Pacific Railway?—Not for days' labour; this is going on by days' labour.
- By Mr. Kirkpatrick:—*
197. What other works would be necessary to make the lock at Fort Francis useful for bringing and furnishing supplies for the Pacific Railway?—From the west?
198. From the west and from the east also?—It is a little difficult for me to say. On the canoe navigation that I speak of, possibly some additional expenditure will be wanted at several portages.
199. There would be works required?—Yes.
200. How long would it take to make these works?—Probably a few months. It depends upon the extent of the works and the progress made. Not much is known about the whole of that country. It is perfectly unsettled; there is not a single soul in it except Indians.
201. Would not considerable outlay, beyond the cost of the lock, be required above and below Fort Francis, in deepening the channel and overcoming the falls?—No doubt, to make the navigation complete, considerable outlays would be required. But for the purpose of getting supplies, these rapids could be overcome in a very simple way.
202. The supplies would be taken up the stream?—Yes.
203. There is rapid water above and below?—There are rapids between Fort Francis and Lake of the Woods. Some improvements will be needed at these points.

RAILWAY COMMITTEE ROOM,
OTTAWA, Friday, 6th April, 1877.

Committee met.—**MR. YOUNG** in the Chair.

SANDFORD FLEMING called and further examined :

By Mr. Kirkpatrick :—

204. Have you got the data on which you arrived at the value of those rails?—
I have not.

205. Have you looked for them?—I have thought about it since I was here the other day and my impression is I took no special means of ascertaining the exact value of those rails. The sum of forty-eight dollars was discussed, and it was agreed I should make out the prices at that rate.

206. Discussed with whom?—With the Department—either Mr. Trudeau or Mr. Mackenzie.

207. Do you know the value Mr. Foster put upon those rails?—No, I had no conversation with Mr. Foster on the subject that I am aware of.

208. Have you ascertained whether your instructions to ascertain the quantity of rails there were in writing or not?—My instructions were not in writing. I remember something was said about the price of rails delivered for the Government in Nova Scotia at that time, and the price of forty-eight dollars was considered not unreasonable. It was considered about the right thing, taking into account the price of rails for the Annapolis Railway in Nova Scotia.

209. Iron or steel?—Iron.

HON. MR. MACKENZIE.—They were tendered for and the lowest tender was \$41, delivered on the wharf at Halifax.

210. Do you know what weight those rails were?—The same weight I mentioned. Rails usually range from 63 pounds. The weight does not affect the price very much.

211. The quality of the rails makes a difference, does it not?—It does.

212. Had you any information before you as to the quality of those rails, or the brand?—I had not.

213. Do you know, or have you any reason to know whether those rails were actually at Renfrew at that time, or whether they were at Montreal, or on their way to Renfrew?—The rails, when I got the letters read here the other day, were delivered at the place mentioned in the letters.

214. They were actually delivered then?—Yes; actually delivered.

215. I think you said the other day that you would not recommend the purchase of rails of different weights, or brands, for the same railway?—I would very much prefer them all of one weight, one pattern.

216. I observe you did not give any certificate these rails were in accordance with the contract entered into. Did you get any specific instructions about that?—All I did was to get the letters before you. There was nothing else but what you have.

By Mr. Mackenzie :—

217. In order that there may be no mistake, I wish to ask did you ever have instructions to write any particular kind of letter?—Not at all. I was instructed to ascertain the delivery of rails under the Order in Council.

218. As a matter of fact you had that Order in Council on which payments were to be made?—Certainly.

219. And you made the payments under the Order in Council; you had the Order in Council before you as your guide?—I had that before me as my guide.

By Mr. Kirkpatrick :—

220. Had you also before you the contract entered into between the Canada Central Railway and Mr. Foster for the construction of this portion of the Canada Central, under that Order in Council?—I do not know that I had. I instructed Mr. Ridout to keep an account of the rails and report to me if they were used for any other purpose than this particular one.

221. You took no other delivery of these rails for the Government than simply the certificate of Mr. Ridout; you did not get any legal transfer?—There were no papers passed that I know of.

222. You do not know anything about the loaning of these rails or any portion of them?—I know very little. I was not in the country at the time they were loaned. Mr. Trudeau can speak of that.

By Mr. Mackenzie :—

223. You are aware that the rails, by the fact of making a payment, became the property of the Government under the order in Council, are you not?—Only for the time being; when the rails were laid they were part of the Canada Central.

By Mr. Kirkpatrick :—

224. That is a question of law I presume. Do you know whether any person had a warehouse receipt for those rails, or whether they were hypothecated to any person?—I am not aware. I took it they were the property of the Government when the payment was made on them.

225. But if they had been hypothecated before that would any person have a lien on them?—That is a legal question. I would look upon the rails as any other material required for the construction of the Railway. It was, to a certain extent, the property of the party paying for it until the completion of the line.

226. It would be, I think, if you got them into your own possession; you left them on the property of the person to whom you paid the money?—There was no fear of the rails running away.

227. No; but there is fear if they are in the possession of a person getting into trouble?—These rails were delivered by the Canada Central Company.

228. They were left in their possession?—I had no great fears of the rails being taken away. However, if they were taken away at any time, there was an officer instructed to report the fact.

229. But supposing the Canada Central Railway Company, or Mr. Foster, had never paid the person from whom they bought those rails?—That is a matter between Mr. Foster and the person from whom he bought them.

230. They were deposited on Canada Central property?—I understood they were deposited on the side of the railway nearest to the point where they were to be used. I did not enquire particularly whose property they were deposited on.

231. You did not enquire on whose property they had been deposited?—I understood it was on the Canada Central Railway's property.

232. That is your impression?—Yes.

233. And you do not know how far that was from the subsidized portion of the Canada Central Railway?—I cannot tell you the exact distance.

234. Are you aware it is about ten miles?—I could not tell you.

235. You cannot tell whether it is more or less?—No; I understood they were deposited on the nearest point on the Canada Central to the place where the rails were required to be laid.

By Mr. Mackenzie :—

236. And that point was not precisely known?—It was not.

Mr. TRUDEAU called and examined :—

By Mr. Kirkpatrick :—

237. Do you know anything about those iron rails delivered at Renfrew by the Canada Central Railway Company, in pursuance of an Order in Council?—I have never seen them, but I have heard of them.

238. Do you know they were paid for?—Yes.

239. Do you know whether those rails are all there now?—No.

240. Do you know they have been taken away from there?—I suppose you want me to say some of them have been loaned.

241. I don't want you to say anything but to answer my question. I want to know if any of them have been taken away from there?—I know some of them have been loaned.

242. To whom?—To Hon. Mr. Foster.

243. That is, some of the rails that were paid for by the Government have been loaned to Mr. Foster?—Yes.

244. When were they loaned to Mr. Foster?—In July, 1876.

245. Who applied for the loan?—Mr. Chaffee.

246. At what date did he apply for them?—In July some time.

247. Did he apply by letter?—No, he first applied verbally, and then he confirmed it by letter.

248. Have you got the letter there?—I now produce it. (Marked "No. 4.")

249. Had you any communication with Mr. Foster or Mr. Chaffee before you received these telegrams?—Yes.

250. What is the effect of it?—It is to the effect he wanted some rails.

251. Who is Mr. Chaffee?—Mr. Chaffee was Mr. Foster's Agent or Secretary.

252. Then he had been speaking with you; or with whom to borrow those rails?—Well, he had been speaking with parties in the Department, I really forget who he was speaking to, but he had been in and out a great deal.

253. Do you know how many rails he borrowed at this time?—I think he had 100 tons.

254. You think—have you any knowledge of how many he took; did you send any officer of the Department to see what rails he took?—I have no personal knowledge.

255. Did you allow him to help himself?—He first of all took the rails, I believe.

256. And then he asked for them?—I did not say that. He first of all took the rails, and we ascertained what he had taken.

257. Well, who did you send up to see what he had taken?—I don't recollect who that was.

258. Do you know that any person was sent up?—My impression is some person was sent up.

259. Have you in the Department any report or communication from that officer?—I cannot state that from memory.

260. Will you please take a note of that and see if you can find any in the Department?—Yes.

261. These rails being under the custody of your Department, have you any Order in Council or any authority authorizing those rails to be loaned?—There is no Order in Council.

262. There is no authority from Mr. Scott, or any person here, to give those rails?—Yes, it was understood by the Members of the Government present in Ottawa then, that it was being done.

263. Did you get any written authority to allow it?—I don't think we have.

264. With whom did Mr. Foster deposit those bonds?—With the Accountant the Department.

265. Had you any instructions as to what kind of security you were to take?—No.

266. Were the rails taken before the security was deposited?—I don't know; he had no permission to take them before the bonds were deposited.

267. He had no permission to take them; do you know as a matter of fact whether he did take them?—No.

268. Do you know whether the bonds were deposited before this receipt for the rails of the 30th June—before or after that?—They were deposited at that time.

269. Not before the date of this letter?—They were deposited at the time the loan was made.

270. Are you aware that any of these rails have been taken since this date?—I am not.

271. Are you aware that more than one hundred tons of them were borrowed at that time?—No.

272. Do you know whether these rails have been returned within the three months, as agreed upon?—My impression is they have not been returned.

273. Do you know whether the interest coupons of those bonds have been paid?—I do not.

274. Do you know the value of those bonds?—No.

275. Have you any instructions as to taking those bonds; who instructed you to take these bonds as security?—Well, it was known to the several members of the Government who were here at the time. There was no particular order to take precisely these bonds, but it was known he was depositing them.

276. Did you take them without some authority?—Authority was conveyed in the knowledge the members of the Government had that they were received.

277. Who handed the bonds to you?—Mr. Chaffee.

278. He came to your office with them?—Yes.

279. Some of the Ministers must have told you he was going to deposit those bonds; how do you know the Ministers knew it?—I suppose they must have said so.

By Mr. Mackenzie:—

280. Your understanding was the loan would only be given on security being deposited with you, I presume?—Yes.

By Mr. Kirkpatrick:—

281. Did you authorize or give any authority for the payment of those rails, any certificate for the whole of the rails delivered?—Yes.

282. Whose certificate?—The certificate of the Department to pay a certain amount of money.

283. On whose order did you do that; who told you to give a certificate for the money?—Payments are not always made by direct order; a contract is entered into, and when there is a certificate from the engineer to pay something it is paid under the general routine of the office.

284. Yes, but this certificate is curiously worded; it merely says Mr. Foster has delivered some rails on account of the road; it does not say they were all delivered, nor does it state that they were delivered at the place indicated in the Order in Council; that certificate would hardly justify the payment of money; was there any other certificate?—Yes; I now produce it. (Marked "No. 5.")

By Dr. Tupper:—

285. Would you be kind enough to state the amount of bonds deposited with you as security?—Five thousand pounds sterling.

286. What was the value of the rails taken?—Four thousand eight hundred dollars I believe.

287. I understood Mr. Mackenzie to say to you just now that you were instructed to have security before the rails were delivered?—It was understood certain security should be deposited.

288. Did you consider you were responsible for seeing that security was sufficient to cover the value of the rails loaned to Mr. Foster?—It was not put in that way.

289. Had you any knowledge of the value of those bonds?—I had none personally.

290. Did you know they were worth anything at all?—I did not know their value.

291. Would you be surprised to learn they would not bring twenty-five cents on the dollar?—I would.

292. Why would you be surprised if you had no knowledge whatever of their value?—I cannot define that exactly.

293. Within your knowledge, no means were taken to verify the value of these bonds that were accepted as security?—It is, of course, difficult for me to recollect conversations that occurred at the time. I recollect some discussion was had at the time about the value of these bonds, but I cannot recollect the terms of the conversation.

By Mr. Mackenzie :—

294. Supposing they were worth twenty-five cents on the dollar, how much would that be as compared with the value of the rails?—Five or six thousand dollars they would be worth.

By Mr. Kirkpatrick :—

295. Is it the practice of the Public Works Department to carry on large operations of that kind—to loan large amounts of property upon mere verbal conversation without any written authority?—Loaning property is a very unusual thing. It is the first thing of the kind that has occurred since I was in the Department.

296. You consider the fact that some of the Ministers being aware Mr. Foster was to receive these rails relieved you of any responsibility as to ascertaining the value?—Well, I did so consider it.

297. This memorandum in the corner of Mr. Fleming's certificate of the 28th of September, 1875, was your authority for the payment?—Yes.

298. Have you any authority for the payment of the next lot?—I don't think I have any authority of that direct description.

299. Whatever your authority was let me have it.—I now produce it. (Marked "No. 6.")

300. This is simply Mr. Fleming's certificate?—Yes.

301. Had you any further authority?—I had no further authority.

302. Do you know what quantity of rails remain there now?—No.

By Dr. Tupper :—

303. Has your Department charge of this large amount of property for which so large a sum of money has been paid?—I think it would have charge of it.

304. Who have you looking after this?—There is no special officer.

305. Who is there to prevent Mr. Foster helping himself in the future as he had done in the past when he wants rails?—Mr. Fleming, of course, has charge of all these railways, and I understand Mr. Ridout, one of his officers, has been appointed to look after those rails.

306. If Mr. Fleming has charge of these rails, how is it you undertook to allow a person to take away one hundred tons of them when he wanted them, without any communication with Mr. Fleming?—If Mr. Fleming had been here he would have been consulted, certainly.

307. Then in his absence you appear to have charge?—There were other officers belonging to Mr. Fleming's staff.

308. You are not able, however, to name any officer that has charge of this property, and whose business it is to see it is not abstracted?—Mr. Ridout's name has been given; I don't know that the Department has any officer there watching the rails all the time.

By Mr. Kirkpatrick :—

309. Could you ascertain for the Committee the quantity of rails there; have you an officer that could be sent up to find out the quantity of rails?—I think so; somebody can be sent up.

310. Have you heard as to the quality of these rails?—No.

311. You know nothing about the quality?—I do not.

312. You have not heard the brand?—No.

Mr. SANDFORD FLEMING re-called and examined :

By Mr. McNab :—

313. Are you aware if, in the contract between the Government and Mr. Foster, all the surveys had to be carried on at the expense of the contractor, Mr. Foster?—I think he had to do the surveying.

314. You are aware that the sum of \$41,000 has been paid for rails and surveys that have been done by that contractor up to the time the contract was cancelled?—I have heard it so stated.

315. I want to ask you if in your opinion the country has had full value for that \$41,000 in the surveys done?—It was intended the country should.

MR. C. O. PALMER called and examined :

By Mr. Kirkpatrick :—

316. You are the accountant of the Pacific Railway?—Yes, under Mr. Fleming.

317. You had the settlement of accounts with Mr. Foster?—Yes.

318. You have the vouchers that he produced?—Yes.

319. How much was paid him altogether on account of the Georgian Bay Branch?
—About \$31,000.

320. How much more for the buildings at French River?—Nine thousand odd dollars.

321. Does that include the wharf?—Yes.

322. Does that \$31,000 include the survey for the extension of the Canada Central Railway?—I do not know, I am sure. I do not understand what part has been surveyed.

323. You don't know whether that payment of \$31,000 includes the cost of surveying the extension?—I understand it is for the survey of the Georgian Bay Branch. This statement before me (marked 3) is headed "Georgian Bay Branch Exploratory Survey," and it has been examined and certified by Mr. Shanly. It is his certificate this has been expended for that purpose and for that purpose alone.

324. You don't know whether it includes the survey of the Canada Central extension?—I don't know; but to the best of my belief it does not.

325. The mere heading of these accounts does not appear to be conclusive that the money was paid for the survey of the Georgian Bay Branch alone. Will you please state what Mr. Shanly's certificate was for. Did he certify those accounts were correct?—Here is a letter in reference to the accounts. I now produce it. (Marked "No. 7.") It states that this amount has been "fairly incurred for the expenses named."

326. Do you know how many miles long the Georgian Bay Branch Railway is?—I cannot answer that.

327. Mr. Foster certified here that this \$31,000 was incurred for surveying 197 miles. Do you know that 197 miles includes both the Georgian Bay Branch and the Canada Central extension?—I understand it in this way—the direct line is not so long as that, but there are several offsets and explorations made; there was not one direct line only surveyed.

328. Have you all the vouchers for the payment of these moneys, or are any of them incomplete to this date?—A few of them are incomplete to this date.

329. The amounts have been paid though, to Mr. Foster?—I don't know that. There is about one thousand dollars vouchers incomplete—that is, the amounts are not probably certified by the Engineer, but otherwise there are complete vouchers for the whole \$41,000.

By Mr. Mackenzie :—

329. (a.) Will you state from that account the total amount Mr. Shanly certified to as payable to Mr. Foster?—\$50,966.27.

330. And the total amount paid?—\$41,000.

331. You have also vouchers from Mr. Murdoch, the actual engineer in charge?
—Yes.

332. This is a mere summary from his?—Yes; I pursued the same system with these that we are in the habit of doing with our own engineers' accounts.

By Mr. Kirkpatrick :—

333. Have you got the account for this \$31,000?—They did not present an account.

334. Have you got any account?—Yes; it was paid from time to time.

335. Have you got the vouchers for this \$8,828; have you got the detailed account for the works at French River?—Yes.

336. Let us see it?—You will find the whole of the details on the second or third page of the general statement. It is separated there from the survey.

337. I want to get the account for the supplies taken over—the camp equipage taken over?—There is only a valuation of it.

338. I want to get that valuation: where is it?—I now produce the valuation of a portion of the supplies. (Marked "No. 8.")

339. Mr. Ridout's certificate states a certain percentage was added to cover the cost of transportation; that was allowed?—No; it was not paid them. It was not taken into the account, the Government has paid for those things and would not allow for them over again. You see all those items are already included in the amounts for which Mr. Foster is given credit.

340. I want to know if you allowed him twice over?—No.

341. They were deducted?—No; they were simply handed over—what remained of the goods purchased—to Mr. Ridout's charge. You will not find it in the accounts at all.

342. Have you got the detailed statement of the works at French River?—The cost of them is represented in the statement. The first two pages of the account represent the buildings and wharf. The accounts are kept distinct from the rest.

343. Then, you say you did not allow this additional percentage to cover the cost of transportation according to Mr. Ridout's certificate?—I think you do not quite understand the matter. That is simply a statement of what was left. It was not brought into the account; neither the cost of the provisions nor the cost of transport.

344. But you have allowed him the cost of camp equipage?—No.

345. There is two thousand odd dollars for camp equipage?—That is only the original cost; not what was returned. As I understand you, you are under the impression he was allowed twice over; he is merely allowed the cost price.

346. I want to know has this percentage been added?—It has been added in a roundabout way; he has put in the bills for transporting.

347. And they have been allowed?—Certainly.

348. Then it has been allowed in a roundabout way. It has been allowed him by paying the different bills for taking the things up there?—What I state is this: he has been allowed to put in bills for the supplies as purchased—probably in Toronto, most of them. The cost of carrying them up and probably the cost of carrying himself and the engineers up was put in as a further bill, but when these things were handed over to Mr. Ridout they were not again credited to him.

349. Mr. Ridout certifies in his valuation that he adds a percentage—I want to know whether it was allowed in that form or merely the amount of transportation?—Merely the amount of transportation. I think the Order in Council states he was to be refunded what further expense he incurred for what would be of use to the Government in finishing the survey.

HON. ALEXANDER MACKENZIE called and examined:—

By Dr. Tupper:—

350. Would you be kind enough to state what amount of security Mr. Foster deposited with the Government for the fulfilment of his contract on the Georgian Bay Branch?—My impression is, it was \$85,000.

351. What did that security consist of?—Cash.

352. What sort of cash?—He brought us a certificate of some Banks for the amount.

353. Under the law, when Mr. Foster was unable to carry out his contract, to whom did that property belong?—What property?

354. The security that Mr. Foster had deposited with the Government for the fulfilment of his contract?—I am not here to answer a legal question.

355. Do you consider the security you take from a contractor, as Minister of Public Works, for the fulfilment of a contract is forfeited if he fails to carry out the contract?—It is not always forfeited.

356. You are not disposed to answer the question?—I am quite disposed to answer any questions put to me.

357. I understand you to say you regard it as a legal question?—Yes, but that did not indicate that I was not disposed to answer the question.

358. Would you be good enough to say to whom, in your judgment, when Mr. Foster was unable to carry out his contract, that property should go; was it the property of the Government of Canada or not?—That depends entirely on circumstances.

359. Under the existing circumstances?—There are very few years, probably very few months, we have not to deal with contractors in the way of annulling contracts and disposing of securities.

350. I understood you to state, in another place, this Government had adopted the plan of taking securities for the fulfilment of contracts, which security became the property of the Government if the contract was not fulfilled, but you are not prepared to say in this case you thought it was the property of the Government?—We have taken security for all contracts, either in money or mortgages on real-estate, which we consider equivalent to money, but we have always endeavoured in dealing with those securities to favour the contractors as much as possible; for instance, if a contractor has a contract for \$400,000, he deposits \$20,000 in cash, or bankable security. When he executed one-third of it, we return him one-third of his security, or if one-half, we return him one-half of his security, and sometimes in extraordinary circumstances we return him very nearly the whole, if the engineer is able to say the work is in such a position as to secure its completion. We have one under consideration now, the dam on the Ottawa, and works in connection with it: We are very much puzzled to know what to do with it. In this case we consider the public interest would be fairly met by annulling the contract, paying what the engineer would certify to as being useful for our own survey we intend to complete, and return the money. In that case the public lose no money, as the surveys would be made in any case and we secured the services of the contractor's engineers, and these services were certified to as being valuable for that purpose. We considered it was best to annul the contract and restore the security, very much as the former Government returned a million dollars securities in connection with the Pacific Railway.

361. I would like to know what banks Mr. Foster brought certificates of deposited money from?—Mr. Trudeau or Mr. Braun told me it was the bank of Ontario. I never saw it myself. It was deposited with the Receiver-General.

362. Would you be good enough to inform the Committee what evidence you obtained as to Mr. Foster's ability to complete this contract; that is to say, as to his position—as to his having capital amounting to four thousand dollars per mile—previous to entering into the contract?—I think the evidence that he made that deposit was one part. The evidence that he was known as a very successful contractor and railway builder was another part. That was a matter of public notoriety.

363. Were you aware at the time Mr. Foster entered into this contract that it was a matter of equal notoriety he was in very great difficulty with the Canada Central Railway?—I had not the slightest knowledge that he had any difficulty of the kind.

364. What means did you take to ascertain that he had a capital of four thousand dollars per mile to carry on that contract?—I don't think I took any special means to ascertain that. As I say, he was reported to be a wealthy man, and certainly known to be a very successful railway contractor.

365. In the terms of the law he did not give satisfactory proof that he possessed a capital of four thousand dollars per mile?—I think he stated to me—however, I am not quite certain of the precise terms—that the capital he had invested in other enterprises would be available.

366. You would not consider it satisfactory evidence, in the terms of the law, to accept the statement of the party contracting?—Well; I might.

367. Would you consider the deposit of twenty-five per cent. of an amount of money evidence that he possessed the other seventy-five per cent?—I think it was pretty good evidence.

368. That is, the possession of twenty-five per cent. is evidence the party has the one hundred per cent?—I don't say that.

369. I say the principal evidence you relied on was the deposit he gave?—No, I do not rely on that; but it was an indication he had considerable means.

370. And the further evidence you took was Mr. Foster's statement to you?—I knew, though I could not tell the source of my information, he was interested in a large number of railways, and the possessor of a good deal of money.

371. When was that deposit given up?—I presume when the contract was annulled; I think the order in Council will show that.

372. Was any authority taken from Parliament to relinquish that money forfeited by Mr. Foster?—I think Mr. Tupper knows as well as I do what took place in Parliament. I have no recollection of any.

373. You have heard Mr. Trudeau state that he accepted South-Eastern Railway bonds because some of the Ministers were aware that was to be the case. Are you one of the Ministers?—I think I was out of town when it was agreed to let the rails be loaned, but I was made aware of it immediately after my return. That is my impression at present.

374. Was anyone acting as Minister of Public Works in your absence?—No: I think there was no special appointment. I do not usually appoint one for two or three days; it is only when I am longer away I do.

375. Did you take any means to ascertain the value of those South-Eastern Railway bonds?—No.

376. Have you since?—No.

377. Would you be surprised to learn that they cannot be sold for anything?—I have no reason to be surprised or pleased, for I know nothing about them.

378. I see Mr. Shanly's name is employed here as having certified to certain demands made by the contractor. Was Mr. Shanly employed by the Government?—No.

379. Was he employed by the contractor?—He told me he was employed as Consulting Engineer. He had frequent interviews with me, and gave satisfactory explanations to me personally. But as I said, formally, I left it to be dealt with by the officers of the Department. I may say this with regard to Mr. Shanly: I have known him for between thirty and forty years and I consider there is no man in Canada whose statements I would take sooner, and whose opinion I value more in a matter of this kind. I wish to indicate that apart from his being an officer of the Government, his opinion would have great weight with me.

SANDFORD FLEMING recalled, and further examined:

By Mr. Mackenzie:—

380. How many miles of exploratory survey have you made between Lake Nipissing and the Pacific, as nearly as you can remember?—In connection with the Pacific Railway, we have made fully eleven thousand miles of instrumental surveys.

381. That is about four times the actual distance?—Nearly four times.

382. How many miles of exploratory survey without instrumental?—We have made over forty thousand miles of exploratory surveys—I mean as explorations.

383. Applying the same principle to the Georgian Bay Branch, and applying the relative cost of that from Nipissing to the Pacific, how much would you consider the survey should cost of the ninety miles of the Georgian Bay Branch?—I could not tell you off-hand.

384. I merely wish an approximate estimate?—I do not consider the claim with respect to the surveying of that branch in any way excessive.

385. You consider then, the amount paid to Mr. Foster for his surveys, made by his engineers, not in excess of what might personally be expected in that quarter?—I do not think it excessive.

386. In other words, the country got full value for it?—If we had done it ourselves it would probably have cost as much or more.

387. I asked you the other day if you were of the opinion the Pacific Railway could be built in ten years, and you said it could not; what time do you suppose it would take to build that railway?—I should think nearly double that time would be spent on it.

388. You were asked by Mr. Kirkpatrick if you were not a member of the company who undertook to build it in ten years, and your reply was "I think Sir John could tell all about that," I would like you to tell me yourself how you reconcile your statement to me with the fact that you became a member of a company that undertook to build the road in ten years?—Well, it was perfectly understood that if the attempt was made to build it in ten years, I would not be a party to it, I would step out.

389. That was a distinct agreement?—Yes.

By Mr. Kirkpatrick:—

390. Was that agreement in writing?—There was no regular agreement, but there were letters to that effect written by myself more than once.

391. With regard to the number of miles surveyed on the Pacific Railway, how many years have you been on it?—Six.

392. Can you tell me how many were surveyed the first year?—I cannot at this moment.

393. It makes a good deal of difference whether the work was all done in one year or in six?—A large amount was surveyed every year of the six.

By Dr. Tupper:—

394. You have stated you were of opinion the Canadian Pacific Railway could not be built in ten years. Do I understand you to say the road could not be built in ten years, or to build it in ten years would make the cost so excessive that no one would be justified in pushing it so fast?—I mean to say it ought not to be built in ten years.

395. I want you to say whether the road could be built in ten years if you had the money to do it?—We do not use the word impossible in any undertaking if you give us money enough.

396. Would you be good enough to state how the line from Burnt Lake to French River, taking into account its accessibility and its inaccessibility, compares with an average of the total Pacific Railway?—It would be about a fair average.

397. Would you be good enough to tell me whether, having the money, you could not then build the Canadian Pacific Railway in something like the same amount of time it would require to build the line from French River to Burnt Lake?—The circumstances are entirely different. The one is near at hand; the other is far away.

398. But you have stated that it compares with the average of the Canadian Pacific Railway?—Well, it is very difficult to say. There are hundreds of miles on the Canadian Pacific Railway very easy, and hundreds of miles very difficult, and it is very difficult to strike a correct average, but it may possibly be not far from an average.

399. Are you aware that a contract was made for that portion of the road which bound the contractor under a penalty of \$1,000 per week for every week he overstepped the time, and left him a year and a half to build the 185 miles from French River to Burnt Lake?—I have no doubt what you say is quite correct, but I have not the papers before me at this moment.

400. Do you consider the time Mr. Foster was bound under a heavy penalty to complete the road from Burnt Lake to French River more reasonable or more feasible than the construction of the Canadian Pacific Railway in ten years?—I think the time was rather short.

401. I would like you to answer my question?—I am not always prepared to give an opinion off-hand; I am not so rapid in my thoughts as yourself, and I would require time to prepare an answer.

402. There is so large a margin I think you could, with a few moments' reflection, give an answer; I don't disagree with you as to the answer you gave the Premier as to building the Pacific Railway in ten years, but I ask whether the undertaking of

binding Mr. Foster under a heavy penalty to finish the line from Burnt Lake in a year and a half from the time the contract was made out, was more reasonable than to undertake to build the Canadian Pacific Railway in ten years?—I think it was, for the reason I gave you a moment ago.

404. You think it was more feasible for Mr. Foster to construct a line as difficult as the Canadian Pacific Railway in a year and a half?—It was as difficult in one way and not in another; the average quantity of rock and earth excavations may be the same in one as the other; but one is more accessible than another; you can reach the Georgian Bay Branch in a few hours from Collingwood; the other is inaccessible throughout its entire length.

404. Are you aware of the time that was occupied in the United States in the construction of the Union Pacific Railway?—About 25 years, I think.

405. I speak of the construction?—It was 25 years from the beginning.

406. I am not talking of the inception; I am speaking of the construction?—I look upon the surveys as part of the construction.

407. Are you aware that the Pacific Railway from Omaha to San Francisco was built in less than ten years?—I think it was.

408. How does that compare in point of difficulty of construction with the average construction of the Canadian Pacific Railway?—I don't think it is much easier, but it is only half the distance.

409. I don't think the distance touches it. You can build 1,000 miles of railway just as quickly as you can build 500 that is equally accessible, if you have the money?—If you can find the men to build it.

By Mr. Mackenzie:—

410. Could you have completed the surveys any more rapidly than you have done up to this time?—I don't think we could.

411. You had, of course, *carte blanche* in the matter to proceed as fast as possible?—We could have spent more money, but if we spent it foolishly we would not have done much good with it.

412. How long is it since you commenced the surveys?—It is six years this spring.

413. So you would only have four years left to finish the railway within the ten years—to do all the construction work?—Well we have commenced construction at the eastern end, we have had men under contract for three years. I think the Pembina Branch was started some three years ago.

414. You have about 300 miles altogether under contract?—Yes.

By Mr. Plumb:—

415. It would not be necessary to complete the whole of the surveys before commencing the work of construction?—If we knew where we were going to, it would not.

By Dr. Tupper:—

416. You have stated the difficulties are about equal on the Canadian Pacific and Georgian Bay Branch?—No, I have not; the difficulties of construction, the work of excavation, &c., are, but the circumstances are different.

417. Are you aware that 1,700 or 1,800 miles of the Union Pacific railway was completed in four years from the time they commenced construction?—They managed to get the rails laid, but they had to re-construct a great deal of it afterwards. They did it so rapidly that the rails passed each other—so I am told, I do not know it of my own knowledge.

418. They were, however, running over it in less than four years from the time they commenced construction?—I cannot say as to that; I know they built it with great rapidity.

By Mr. Cartwright:—

419. You have stated just now to the Committee that, in your judgment, the Pacific Railway could not be built within ten years. You stated afterwards that you were not prepared to say that it was absolutely impossible. You referred to the moral impossibility, not the physical impossibility. Are you able to give the Committee any idea, say within ten or twenty millions of dollars, of what would have

been, in your judgment, the probable cost of constructing the Pacific Railway, had it been constructed within the ten years from the date of the union with British Columbia?—I really don't know. I should think it would cost a very great deal more than if we had taken fifty per cent. more time.

420. Would it have cost, in your judgment, double the amount?—It would have cost fifty per cent. more, at all events.

421. Whatever the cost might be, fifty per cent. would have to be added to it?—Yes.

RAILWAY COMMITTEE ROOM,

OTTAWA, Friday, 13th April, 1877.

Committee met.—Mr. YOUNG in the Chair.

THOMAS RIDOUT, called and examined :

By Mr. Kirkpatrick :—

422. Have you lately examined a quantity of rails at Renfrew?—Yes.

423. When?—On Tuesday last.

424. Will you give us the result of that examination?—I found on the ground 1,679 tons of rails.

425. What weight per yard?—There was 1,068 tons of fifty-six pounds per yard, and 611 tons at sixty pounds per yard.

By Mr. Denville :—

426. Are they punched for fish-plates or for chairs?—Fish-plates.

By Mr. Kirkpatrick :—

427. Have you had charge of those rails since you went up to measure them in 1875?—I had instructions from Mr. Fleming in the fall of 1875, to go to Renfrew and measure those rails, and in his letter he said those rails would be placed under my charge.

428. How many rails did you find there at that time?—I found then 1,906½ tons.

429. What was the deficiency?—227½ tons.

430. Then, you have really got 1,679 tons there now?—Yes, 1,679 tons.

431. Where have the missing rails gone to?—Well, I presume, they have been taken by Mr. Foster.

432. They were under your charge—did you allow him to take them?—No, I did not know he had taken them. I was absent all the summer making a preliminary survey on the north shore of Lake Huron.

433. You had no authority to let him take them?—No.

434. Can you tell what brand those rails were—the name of the makers?—Bolekow, Vaughen & Co.

CHARLES S. MUSSON, called and examined :

By Mr. Kirkpatrick :—

435. What are you?—A civil engineer.

436. Are you employed on any road now?—Not at present.

437. What road have you been employed on?—The Canada Central.

438. What part of it?—I was in charge of the Pembroke end of the extension.

439. Do you know where they got the rails they laid there last summer—the last part of them that you used?—They simply came from Renfrew as we wanted them.

440. Do you know that any of them were Government rails?—No. In fact, I do not know where they came from. They just sent them as we wanted them.

441. Wasn't there some trouble about getting rails for the last part of that extension?—I only remember one day. What the reason is I don't know. We waited one day. I never heard the exact reason.

442. Were the rails laid on the last part of the road the same quality as the rails laid all the way from Renfrew westward?—Yes; the same iron was laid from Renfrew to Pembroke. I only had charge of the last part constructed—the upper part of the road—but my opinion is they were the same kind as below.

443. What is the quality of those rails?—It is not the best iron; I have seen better iron rails.

444. Have you ever seen worse iron rails?—No, I don't think I have.

445. Will you give me a report of what those rails are; what is the character of them as to quality?—I consider the quality poor.

446. Did any of them break?—Yes, in some cases.

447. How did they break; dropping them?—I remember one breaking on dropping it; and some were broken by the excessive heat, last summer, not having been laid properly.

448. Is it a correct description of them to say they are nothing but thin crusts of iron and inside is all rubbish and slag?—I do not know that I would go that far. There is certainly a clearly defined crust on them, and when they laminated in one or two instances I remember you could see some distance under it.

449. Is this apparent on using them?—I have noticed in one or two cases where the rails have had excessive use, but that might not characterize the whole quantity.

By Mr. Domville :—

450. Were they made with muck bars?—I don't know.

By Mr. Kirkpatrick :—

451. Had you to make a report upon them to your employers?—No.

452. Are they working well on the road now?—Yes; reasonably well, of course they are not used very heavily; they are just running one train a day over that part of the road.

453. They are not worn out yet?—No; not all worn out.

By Mr. Mackenzie :—

454. Not all worn out! Do you mean to say some are worn out?—Some were worn out while we were ballasting the road; but you can hardly call this ordinary use; they were replaced; I cannot say they have been worn out since.

By Mr. Kirkpatrick :—

455. Do you know anything of the value of rails—the market price of rails about that time, or any time; do you keep posted as to the value?—I just have a general knowledge of it.

456. Do you know what was the value of rails about September 1875?—I should say they were worth between thirty and thirty-five dollars per ton in Montreal that is a matter of recollection and opinion.

By Mr. Mackenzie :—

457. On what do you form that opinion?—I don't recollect.

458. Is it your recollection of some sale?—I knew of one sale.

459. Who to?—It was to a road; I don't remember the road; I was told of the sale.

460. Who told you of the sale?—I don't know who it was.

461. You don't remember who it was made the sale?—No.

462. You don't remember who it was bought the rails?—I was told that it was a road down in Lower Canada.

463. You don't know who the buyer or the seller was?—No.

464. Do you know anything at all yourself about the value of rails?—Simply from hearing quotations.

465. Where did you see them?—In the papers from time to time.

466. Did you see that quotation in the papers—thirty to thirty-five dollars?—I don't remember.

467. Do you believe you did see it in the papers?—I remember that was about the price of iron at that time.

468. The fact is you knew nothing about it?—I knew about it at the time, but I do not consider the opinion worth anything; it is simply recollection.

By Mr. Domville :—

469. About that date do you know what the quotation was in England for rails; did you notice at that time?—Yes; I notice it as it goes along.
470. Do you know the sterling price?—No; I don't remember what it was.
471. What would be the freight from Montreal to Renfrew?—I don't know of my own knowledge.
472. Were those rails all of the same pattern?—There were two sections, at least, of those that were lying at Renfrew.
473. Were the flanges nicked for spikes?—The slots were not in some of them, I believe; I know we had to make some.
474. How do they run in lengths?—From 18 to 24 I think.
475. All lengths?—Yes; different lengths.
476. Did you join the same sections together or put two different sections together?—All we laid were the same section.
477. When you broke those rails, what did you see inside; were they crystals—large crystals or small crystal, or small fibre, or what?—What I think is they were not good iron, whether it was in the rolling or quality I cannot say.
478. You have seen a piece of pig-iron broken?—Yes.
479. You know how it looks when it is broken?—Yes.
480. Did the rail look anything like that?—I should say it did.
481. Would it be a greyish colour?—It is rather hard for me to recollect what the break looked like.

By Mr. Mackenzie :—

482. I suppose you have no technical knowledge of the manufacture?—No; no practical knowledge.
483. That is what I mean—have you any knowledge of the foundry business?—No.

By Mr. Kirkpatrick :—

484. Have you counted those rails at Renfrew, or do you know what quantity of rails is there?—Not exactly; I never counted them.

By Mr. Mackenzie :—

485. Do you know if there was a mixture of 56 and 60 pound rails between Renfrew and Pembroke?—No; all are small sections between Renfrew and Pembroke, except some sidings.
486. You are not aware that 37 tons of 60 pound rails were laid there?—No

THOMAS RIDOUT, re-called and examined :

By Mr. Mackenzie :—

487. You say 227 tons have apparently been taken away?—Yes.
488. Will you say how much of them was 60 pound rails and how much 56 pound rails?—There was 37½ tons of 60 pound rails and 190 tons of 56 pound rails.

By Mr. Kirkpatrick :—

489. How do you come at that?—By counting the rails.
490. How many 60 pound rails were there?—648½ tons were there originally.
491. How many visits did you make to Renfrew to count those rails?—In 1875 I was there very frequently; from October until January, 1876.
492. You were there in September?—No; I had not returned from French River in September when the first lot was counted.
493. You were not there when the first lot was counted?—No; but I subsequently examined them and checked them over.
494. You did not check the first lot on the ground?—Oh, yes I did, in October.
495. But not in September?—No; I was not here, but I subsequently checked it through when I was counting the other.
496. Were you instructed to see as to the quality?—No.
497. Simply as to the quantity?—Yes.

RAILWAY COMMITTEE ROOM,
Monday, April 23rd, 1877.

Committee met—Mr. YOUNG in the Chair.

SANDFORD FLEMING called and further examined:

By Mr. Mackenzie :—

493. You were asked when you were here before what means you took to ascertain what the price of iron rails was at that time, you stated you could not recollect at the moment; can you now make any statement to the Committee on that point?—Some enquiries were made as to the price of rails before the time referred to; I have here in my hand data furnished by Mr. Sandberg, who is well known in connection with the purchase and inspection of rails, and from that I had a fair idea of the value of rails previous to the time referred to. From that it would appear that the price of rails when these were probably purchased the previous fall was £7 10s.

499. In England?—Yes, in England.

By Dr. Tupper :—

500. At what date would they be £7 10s in England?—The fall of the previous year.

501. What year?—The fall of 1874; to that sum, being nearly \$38.50, I add the cost of insurance, carriage from England to Montreal, thence to Renfrew, and all the handling by the way in round numbers \$10, making in all \$48.50, as the price per ton at Renfrew.

By Mr. Kirkpatrick :—

502. What is the date of that?—This was obtained at the time; these are published by him every year.

503. Are they sent to you every year?—They are sent to me very frequently; probably oftener than once a year, I have had them sent to me very often, but I cannot say I have had them every year.

504. Have you the one for the fall of 1875?—Yes; I have the prices up to the end of 1875.

505. What does he give the prices at up to the end of 1875?—The price is very much less; in the fall of 1875, the price is £6 10s.

By Mr. Wood :—

506. For steel rails?—No; iron rails.

507. Where was that price quoted?—At the iron works in England.

508. Delivered where?—Delivered F. O. B.

509. In Liverpool?—At an English port.

510. Is that the price of any maker?—That is the average price of rails made in England during each year since 1845. It is a printed diagram with the additional averages since 1874, added by hand.

511. Do you know who is the maker of the rails now before the Committee?—Bolckow, Vaughan & Co.; they are marked "B., V. & Co."

By Mr. Dymond :—

512. Are they one of the first firms engaged in the manufacture of iron rails in England?—They are a well-known firm. I have in my hand invoices of rails made at Middlesbro' by the same makers. One invoice is dated May 26th; the others are dated June 30th, 1875.

By Mr. Kirkpatrick :—

513. Addressed to whom?—To C. J. Brydges, for the delivery of rails at Halifax. I referred to the price of these rails the other day as guiding me to a certain extent in placing the price of the rails at Renfrew at \$48 per ton.

By Dr. Tupper :—

514. What is the price mentioned in those invoices to C. J. Brydges?—The first two are for shipments in 1875. I will read Mr. Brydges' letter.

(See Letter No. 11, appended.)

515. Were those obtained by public tender?—I imagine so.

By Mr. Kirkpatrick :—

516. What was the invoice price in 1876?—£7 5s delivered at Halifax.

By Mr. Macdougall (Elgin) :—

517. What were those rails for in 1876?—

*Hon. Mr. Mackenzie :—*It was for the renewal of a branch of the Intercolonial Railway. It had got into such a state that we were liable to an accident at any time unless it was put in order.

518. Were they steel or iron?—Iron. They cost about \$41, insurance and all, delivered at Halifax.

By Mr. Mackenzie :—

519. Did you make any enquiry about the price of the steel rails got last year?—No.

THOMAS REYNOLDS called and examined :

By Dr. Tupper :—

520. You have been asked to attend the Committee for the purpose of giving evidence as to the value of steel rails the past season: would you be kind enough to state if you have made any purchase of rails of any description—steel or iron, or both—and the quality and the prices at which you obtained them?—We have purchased two lots of six hundred tons each; steel rails. The order was given in November, to our purchasing agent, in London.

521. November, 1876?—Yes; last November. The rails are now being put into the track, and there are four or five miles of them in already. The first lot were invoiced at £7 15s per ton, including insurance and freight to Prescott.

522. What is the rate of freight and insurance?—I have no information as to that, but I assume it cannot be less than fifteen shillings per ton, including freight and insurance.

523. How much would the freight be to Prescott, do you say?—I don't think it would be less than fifteen shillings, including insurance.

524. How did they come from Montreal to Prescott?—By railway from Portland to Prescott.

525. Are you able to say what the cost would be of carrying rails from Portland to Prescott?—They were delivered in Grand Trunk Railway cars at Prescott, but I cannot tell that. The ordinary rate of the Grand Trunk Railway would be more than fifteen shillings per ton, alone, for the rails; but I have no doubt there was a special arrangement made by the people in England.

By Mr. Wood :—

526. Are you aware that freight is taken to London, Ontario, at that rate?—I am not aware of it.

By Mr. Mackenzie :—

527. Who did you buy from?—The first 600 tons were bought from the Sheffield Bessemer Steel Co.

By Dr. Tupper :—

528. Who did you say that the rails were purchased from?—The first 600 tons from the Sheffield Bessemer Steel Co., and the second from the Mersey Steel Co.

529. Is the Bessemer Steel Co. a first-class company for the manufacture of rails?—Yes; as I am informed.

530. What time was the order given for the second lot?—About the middle of December, I think.

531. At the time that you ordered the first lot of 600 tons, could you have purchased any quantity you wanted at that rate?—I think so. My agent explained to me by cable why he could not do any better as to the second lot. He said there was a stiffening in the price of iron and also of freights.

532. You have purchased only steel rails?—That is all.

533. Are you able to state to the Committee what you could have obtained good iron rails for at the time you purchased steel rails for £7 10s?—Not from actual

experience, but I should say there was a difference of £2 per ton at least. That is merely an opinion. I have not made any purchase, and therefore I do not give you anything but my opinion.

534. Would you be able to state, having had the experience of bringing these rails *via* Portland, whether it would have been better or cheaper to have had them shipped to Montreal?—Of course they could not have been shipped to Montreal the time we bought and wanted them; they came out in winter.

535. I understand that, but would the freight have been less for shipping to Montreal—freight and insurance?—It is almost impossible to answer that question; I think this rate of freight has been an entirely exceptional state of things. It must have been exceptionally low, taking into account that the Grand Trunk Railway Company had to haul them all the way from Portland to Prescott.

536. What do you suppose would have been the additional cost of freight if they had been shipped to Renfrew instead of to Prescott?—There would have been another transshipment. The Brockville and Ottawa line has not the same gauge as the Grand Trunk Railway, and there would have to be an additional charge per mile which, on a short local line, would be large; I think ten shillings a ton more, including transshipment—perhaps more; it is really very difficult to say.

By Mr. Dymond :—

537. That is, the rate you imagine to have been charged for these rails is no guide at all to what it would be on a local line, under the circumstances?—No; I fancy the rates were exceptionally low. I have never got anything from England yet at such low rates.

By Mr. Mackenzie :—

538. That is on account of the competition between the railways?—Partly.

539. You are aware they carry freights from St. Louis and from Chicago at the same rate?—Yes; the competition of American lines comes in there, which would not affect us.

By Mr. Holton :—

540. It is an exceptional state of things?—Yes.

By Dr. Tupper :—

541. I have had no communication with you until we met this morning?—Not at all. I have been absent in New York until the last two days.

By Mr. Wood :—

542. Who purchased those rails?—My son, in England. He looks after my interests very closely.

543. Do you know anything of the specification of the rails?—No.

By Mr. Mackenzie :—

544. Do you know the lengths?—Thirty feet long.

By Mr. Wood :—

545. They were not made to your order?—Yes, rolled to our order.

546. Inspected as they were rolled?—Yes, inspected at the time of rolling.

By Mr. Macdougall (Elgin) :—

547. You say those rates to Prescott are exceptionally low. What do you suppose would be the general freight from Liverpool to Prescott?—I should think from twenty-five to thirty shillings per ton.

By Mr. Mackenzie :—

548. I see the rails run from twenty to twenty-eight feet, and twenty-eight is the maximum?—Unfortunately the Customs authorities have the original invoices, and these are not the whole of them. I did not suppose you wanted evidence as to the length of them. The larger number in those invoices are 28 feet long; a very small number are less. We do not object to have some short rails.

By Mr. Blain :—

549. I understand you to say those purchases by you are so exceptional they would not form a guide as to the price of rails generally?—No, I did not say that; I say the rates of freight are exceptionally low. My son expressed his regret at the

time he bought the first lot that he had not known we wanted more; he could have got any quantity at that rate.

By Mr. Macdougall (Elgin) :—

550. You stated not long after you purchased the first lot the market stiffened, and you had to pay more?—There was a sudden increase in iron ship-building in Glasgow which stiffened up the market, but I believe it fell back again.

By Mr. Blain :—

551. It was fluctuating?—Yes.

By Mr. Mackenzie :—

552. Please look at the invoices you have produced and say what the maximum and the minimum length of the rails is in them?—The three invoices before me, representing 702 tons, show that the bulk of the rails are twenty-eight feet long.

553. And the shortest?—There are seven rails 18 feet long; nineteen, 21; thirty-two, 24; one hundred and seventy nine, 26; and the balance 2,560, 28 feet long.

554. Then the minimum is 18 feet and the maximum 28?—Yes.

By Mr. Wood :—

555. What is the weight of those rails?—Fifty-six pounds a yard, made to our own templet.

By Dr. Tupper :—

556. Were these fish-plate rails?—Yes; punched for fish-plate; of course the fish-plates were not included in the price of the rails.

By Mr. Wood :—

557. I suppose you have not a copy of the specifications you sent?—No.

By Mr. Mackenzie :—

558. Can you get a copy?—Not without writing to England for it.

By Mr. Wood :—

559. You know the specifications the Great Western used?—No; I don't know what their present specification is; I knew what it was when they had iron rails.

By Mr. Mackenzie :—

560. What are the ordinary freight charges from Liverpool to Prescott?—We hardly ever have any.

561. Do you have any to Ottawa?—No; two or three years ago the Grand Trunk Railway Company made arrangements with the Allan Line for rates to all points, but the steamship company at that time had so much to do they took nearly the whole rate to Montreal or Portland, as the case might be, and we have had no business of that kind for some time as it did not pay.

562. Do you know the ordinary rates from Brockville to Renfrew?—I cannot say.

By Dr. Tupper :—

563. About how much?—I cannot quote the figures; we have no connection with Renfrew, and therefore we do not pay much attention to it.

564. What would be the ordinary rate on the Grand Trunk Railway per ton, per mile, for rails?—That is not the way in which the Grand Trunk Railway Company deal with matters. You sometimes find freight coming from Montreal to Prescott at \$10 per car; at other times, when business is brisk, the rate is three times that or nearly so. It is merely a matter of fight all the time.

By Mr. Mackenzie :—

565. You sometimes charge that?—We never charge more than tariff rates, except when we can get them.

566. What is the rate per car?—There are four classes of freight. For instance, furniture is very dangerous to carry. We charge \$30 a car for it or more.

567. You charged me \$30?—We cannot get that now.

By Mr. Kirkpatrick :—

568. You and the Brockville and Ottawa have the same rates now?—Yes as between Brockville and Ottawa and Prescott and Ottawa.

569. What is the rate from Brockville to Ottawa on rails?—The rate would be about \$12 per car.

570. It would be about the same to Renfrew?—No. There is competition here.

They have to compete for Ottawa business, but to Renfrew they can charge what they like. They can charge their full tariff rates, more than twice that. It is a question of "as much as you can get." That is the principle that railway companies have to act upon. What with water competition and Government railway competition, and additional competition being prepared for us, I fear we shall have to shut up by and bye.

By Mr. Mackenzie :—

571. What would you tranship for?—We could not handle for less than a dollar per car.

572. Do you mean to say ten men would unload ten cars a day?—The way it would be done is this, it falls to the freight department, and they generally turn to this when they have nothing else to do. We are obliged to economize in every way.

By Mr. Macdougall, (Elgin) :—

573. Do you consider ten dollars a ton for freight from Liverpool to Renfrew, including insurance, port charges, handling, &c., at the time they were delivered in 1875 a fair rate?—I could not say anything as to the rates and charges at that time. Things have changed so much it would only mislead the Committee. Without going into the state of things existing then, I could not give an opinion.

574. Rates of freight were very low in 1876?—Yes, but they fluctuated.

By Dr. Tupper :—

575. They were very low in 1875?—Yes.

576. Lower, on the whole, than in 1876?—Well, I cannot say that they were.

By Mr. Bowell :—

577. Were the rates in 1875, for freights from Liverpool, as low as in 1876?—Yes; occasionally the ocean rates were not.

By Dr. Tupper :—

578. Freights were lower in 1876 than in 1875?—Yes, part of the time. A portion of the time, when we were getting out materials for our store department it was so, but they varied.

By Mr. Workman :—

579. Weren't they more than double as high in 1875 as in 1876?—I would have to look up every month's rates to ascertain.

By Mr. Wood :—

580. Do you know what those steel rails you imported could be purchased for to-day?—About £8 10s., I should think, supposing freight rates to be the same; we would get them at the same price as the last lot.

Mr. THOS. WORKMAN called and examined :

By Mr. Mackenzie :—

581. Can you tell us the comparative freight rates of the years 1875 and 1876?—During the Winter of 1875-76, I think the rate for freight was more than double that of 1876-77, principally on account of the competition existing between Halifax and Portland, also between New York lines and Portland. Our firm in Montreal thought we got iron at a low rate through the winter at 30 shillings; that did not include primage which is ten per cent., which would make it 33s. to Montreal.

By Dr. Tupper :—

582. At what time was that?—During the winters of 1873-4 and 1874-5; the rate of 1876 was exceptionally low, it was less than one-half what we used to pay. The rate to Hamilton, London, Toronto and St. Catharines was 15s. sterling per ton, while they were charging to Montreal people 30s. and 35s. We remonstrated as strongly as possible against this and brought it before the Board of Trade, and, ultimately, the rate was reduced to the same price exactly. They charged as much to carry a hundred tons of bar iron to Montreal as they did to London, which, I believe, is 550 miles further—they carried it from Montreal to London for nothing. Even at fifteen shillings per ton the rate was less than one-half what we used to pay. We have paid eighty shillings per ton to Montreal in former years, and five per cent. primage, which made it eighty-four shillings sterling.

By Mr. Domville :—

583. How many years ago was that ?—Fifteen or sixteen years.

By Dr. Tupper :—

584. Are you able to state to the Committee what was the freight per ton of dead weight, from Liverpool to Montreal, in the summer of 1875 ?—In the summer of 1875 it was low. The lowest price I am aware of by steamer was 8s. 9d. to 10s., and by sailing vessels, at 7s. 6d.—I mean bar iron. Rails are charged higher owing to the difficulty of loading and unloading.

385. What is the difference per ton ?—About two shillings and six pence, sterling.

586. In 1876 what was the freight from Liverpool to Montreal ?—The rates were apparently 12s. 6d., but discounts were given secretly. I suppose they would be the same in 1875 as in 1876. The three steamboat lines entered into an arrangement to carry freight at a certain rate, but they secretly broke through these rates and rebates were given; 11s. to 12s. 6d. was the rate, and 10 per cent. primage.

587. Therefore the rates were higher in 1876 than in 1875 in the summer ?—No; that was the rate, but they broke through it.

588. I want to know whether the rates were not higher last summer than in the summer of 1875 ?—I think they were nearly the same.

589. Are you aware that the year 1876 was a better year for shipowners than 1875 ?—The homeward freights were better, but I think the outward freights were about the same. In the winter of 1874-5 I tried to make a contract and was asked very high rates.

590. I want to ask you what would be the insurance upon a ton of rails from Liverpool to Montreal ?—In the summer season it is half the price of the spring and fall. In summer, 40 cents would be about the rate, supposing the value of the rails to be \$40 per ton.

By Mr. Domville :—

591. How much for sailing vessels ?—One per cent. during the summer months. In the spring, owing to the danger, it is higher. I might mention the rate of freight from Montreal to Pembroke is exceptionally high, as compared with the rate from Montreal to Ottawa by rail or water.

By Dr. Tupper :—

592. What would be the cost of rails from Montreal to Prescott ?—The rate is greatly different in winter and summer.

593. In winter ?—From Montreal to Prescott it would probably be ten shillings a ton.

594. What would it be last summer ?—Less than five shillings, because they had to compete with the water routes; for a large amount you could make much better terms with the Grand Trunk Railway.

595. When the navigation is open it would be one-half ?—Yes, when they have to compete with the river.

By Mr. Kirkpatrick :—

596. What would be the rate from Montreal to Renfrew during the summer ?—I should think at least twenty shillings per ton.

By Mr. Mackenzie :—

597. You could not take them up any other way than by railway ?—Yes; you could send goods to Ottawa, then carry them to Aylmer, and then take them up that way; before the railway was built they had to take them by Aylmer.

By Mr. Wood :—

598. That would not be cheaper ?—No.

By Dr. Tupper :—

599. You mean to say that the rate to Renfrew would be four or five dollars ?—I should think from Montreal to Renfrew would be six dollars; there is no competition there; since the competition with the American lines is so great we can make better contracts with the Grand Trunk Railway, and sometimes they will take goods for half the price they would formerly.

By Mr. Wood :—

600. Would you pay just as much for rails from Liverpool to Prescott as from Liverpool to Montreal?—I don't know; I never had anything shipped to Prescott.

601. But would you, in consequence of those through rates being lower?—Last year was exceptional.

Mr. TRUDEAU called and examined :

By Mr. Mackenzie :—

602. State to the Committee the cost of steel rails bought last summer for the Prince Edward Island Railway—bought by tender in England?—Delivered at Charlottetown, £8 10s. per ton.

By Dr. Tupper :—

603. What date was that?—This must have been in July, 1876, as the following letter from C. J. Brydges shows.

(See letter No. 16 appended.)

604. Does the fact of their being fifty pounds per yard weight instead of fifty six pounds increase or decrease their value?—This letter does not state.

605. Do you know?—I do not.

By Mr. Domville :—

606. Is not fifty pounds, as far as you know, not an ordinary size of steel rails?—It is a light rail.

607. Is not the ordinary weight of steel rails more than fifty pounds per yard?—Fifty-six pounds is a general weight.

608. Consequently if an order was sent for fifty pounds rails, and the rolling mill was not fitted for manufacturing such rails, and the various other gear not there for making special sizes like that, would they not charge more?—I have been told that the weight of the rail does not affect it very much in the price per ton.

609. I am not speaking of that; I want to know does the special size make a difference in price?—I am not a rail-maker, and cannot tell.

610. I want to know if you have any special information on the subject?—The weight of the rails does not affect the price.

611. Does it affect the price any?—My information does not go that far.

Mr. SANDFORD FLEMING, re-called and further examined :

By Mr. Mackenzie :—

612. You were asked the other day whether you considered \$31,000 of the amount expended on the surveys of the Georgian Bay branch could be made available for future surveys on that line. You stated you did not recollect having given any certificate to that effect. There is a letter of the 28th of April, I think, where you stated you thought it would be available in your opinion; can you send that to the Committee?—Certainly.

(The following are the documents referred to in the Report.)

(7.)

OTTAWA, 29th April, 1876.

Georgian Bay Branch Survey.

SIR,—I have the honour to certify that I have examined the accounts submitted by Mr. A. B. Foster, contractor, for his outlay and liabilities in connection with above, and amounting in all to \$50,966.27.

The first item in schedule of accounts submitted is for construction of buildings, wharf, &c., at mouth of the French River, \$9,494.83.

Of this I have no personal knowledge, the work having been done before Mr. Foster had engaged me as his consulting engineer; nor have I since visited the place.

For surveys, amount expended, \$31,838.15, the accounts for which I have examined, and can certify to the whole having been fairly incurred for the purpose claimed. In some of the details the charges are, perhaps, open to criticism as somewhat high; but taking the whole number of miles of line surveyed, 197, the total expenditure is by no means extravagant or unreasonable.

The remainder of the account is made up of the following items:—

Head office and Accountant's expenses, &c.....	\$2,500 00
Consulting Engineer, for services.....	2,500 00
Ten per cent. upon whole account.....	4,633 29

The last of which only calls for special explanation and is intended to meet the "sundry and various" expenses incident to preparing for carrying out a large contract, and which, though they cannot always be formulated into specific accounts and vouchers, nevertheless constitute a fair and just charge against the work.

Taking the whole outlay, exclusive of that at mouth of French River (which, not having come under my cognizance, I am unable to testify to), I consider it as fair and reasonable for the work performed.

Mr. Ridout, the Government Engineer, can speak as to the structures and expenditure at French River.

I have the honour to be, Sir,

Your obedient servant,

(Signed) W. SHANLY,

Consulting Engineer for Contractor

T. TRUDEAU, Esq.,

Deputy Commissioner Public Works.

(11.)

RAILWAY DEPARTMENT,

MONCTON, N.B., 11th April, 1877.

SIR,—I beg to enclose you three invoices of iron rails for the Intercolonial Railway, during the years 1875-6.

The first two are for a shipment in 1875, comprising two thousand tons of iron rails purchased through C. P. Sandberg from Bolekow, Vaughan & Co., at the price of £8 per ton delivered at Halifax.

The third is for twelve hundred (1,200) tons purchased also through C. P. Sanberg from Guest & Co, in 1876, delivered at Halifax at £7 5s. per ton.

I have the honour to be, Sir,

Your obedient servant,

(Signed) C. J. BRYDGES,

General Superintendent Government Railways.

F. BRAUN, Esq., Secretary,

Department of Public Works,

Ottawa.

(14.)

13, Kings Arms Yard, E.C.

LONDON, March 30, 1876.

C. J. BRYDGES, Esq.,
To GUEST & Co.

Iron Rails and Fastenings shipped per "Chelydra" to Halifax, N.S.

5,154 24 0		1,093 18 1 15			
163 23 0		33 6 0 5			
209 22 0		40 14 1 21			
83 21 0		15 10 1 18			
67 20 0		11 18 2 6			
20 19 0		3 7 2 10			
56 18 0		8 18 2 2			
<hr/>		<hr/>			
5,752 Rails.	bcls.	1,207 13 3 16	} £ s. d.	£	s. d.
11,900 Fish Plates (1190)		47 19 2 8		7 5 0	9,103 12 8
23,180 Bolts and Nuts, 122		14 8 0 10		15 15 0	226 17 5
		<hr/>		<hr/>	<hr/>
		1,270 1 2 6		£9,330 10 1	

(15.)

RAILWAY DEPARTMENT,

ST. JOHN, N.B., 29th July, 1876.

MY DEAR SIR,—I have now received from Mr. Sandberg, to whom I wrote particulars about the prices offered for a thousand tons of steel rails, fifty pounds to the yard, for the Island Railway.

The offers he received were as follows:—

Charles Campbell & Co., Sheffield, £9 6s. 4d. per ton, delivered at Charlottetown; Droufield Steel Works, £9 10s. per ton, delivered at Charlottetown; Guest & Co., £8 10s. per ton, delivered at Charlottetown.

He applied to several other makers, but they stated they were unable to offer, as their books were full of orders. He further stated that nearly all the steel-makers in England are full of work, whilst the non-makers are rapidly closing their shops.

The consumption for steel seems to be rapidly superseding iron for rail purposes.

The smallest quantity of rails that can be had, to enable the Island Railway to run safely next winter, will be 500 tons; and I hope you will give me authority to order, at least that quantity. It would be better to have 1,000 tons, because the balance of 500 tons would be ready for use in the early spring, if necessity for so doing became apparent during the winter.

Will you be good enough to let me have as early a reply as you can, so that if an order can be given, I may cable it to England.

Unless we do this, there will be a delay in getting the rails.

The rails will be as I have told you fifty pounds to the yard.

Yours faithfully,

(Signed) C. J. BRYDGES.

Honorable ALEX. MACKENZIE,

Ottawa.

(16.)

CANADIAN PACIFIC RAILWAY,
OFFICE OF THE ENGINEER-IN-CHIEF,
OTTAWA, 28th April, 1876.

SIR,—With respect to that part in the Order in Council of 8th March, touching the value of the works of exploration, survey and construction performed by the Hon. A. B. Foster.

I have made every enquiry into the subject, and I feel assured that in the event of the Georgian Bay Branch being proceeded with, the expenditure incurred will generally be available in the prosecution of the work.

I find that of the accounts furnished by Mr. Foster there are only receipts for about \$20,000. Accordingly I would advise that he be called upon to furnish complete vouchers, and that the whole be placed in the Audit Department for examination.

I am, &c., &c.,

(Signed) SANDFORD FLEMING.

F. BRAUN, Esq.

Secretary Public Works Department.

Certified copy

(Signed) THOMAS R. BURPE,

Secretary.

EVIDENCE

TAKEN before the Committee appointed to enquire as to the Administration of Justice in the District of Richelieu, and to which was referred the petition of F. X. A. BIRON, Notary, *et al.*, complaining of the conduct of the Hon. Judge LORANGER, Judge of the Superior Court.

(Translation.)

EVIDENCE ON BEHALF OF THE PETITIONER.

A. N. GOUIN, Prothonotary of the District of Richelieu, being duly sworn, deposeseth and saith:—

Question. What is your Christian name?—Antoine Nemeze.

Q. You reside at Sorel?—Yes.

Q. Are you Prothonotary of the Superior Court for the District of Richelieu, and Clerk of the Circuit Court?—Yes.

Q. How long have you been so?—Since 1858.

Q. You have been the custodian of the records of the said Courts since that date.—Yes?

Q. You are also the custodian of the roll of cases inscribed for *enquête* and hearing?—I am, and I produce it.

Q. The records both of the Superior Court and of the Circuit Court are in your custody, are they not?—Yes.

Q. Have you with you the roll fixing the time for cases inscribed for *enquête* and hearing on the merits, for the year 1873?—Yes.

Q. Is it the only one which you have?—Yes; it is at the same time the roll of *enquêtes* in law.

Q. For the Superior Court?—Yes.

Q. Is it the only one which you have?—Yes.

Q. That roll is in the possession of the Clerk?—Yes.

Q. It is placed in the possession of the Judge for the calling of cases, is it not?—Yes.

Q. After Court, where does that roll remain?—It remains in the office, constantly in my possession.

Q. Always in your possession?—I place it before the Judge only when the Court is open.

Q. Have you with you the record No. 1322, *Superior Court, Mathieu vs. Brouseau*?—Yes.

Q. Will you produce it?—Yes. (Witness produces the record in question.)

Q. Now, have you with you the record No. 1332, same plaintiff and same defendant, same Court?—Yes, here it is. (Witness produces the record in question.)

Q. Have you also another record—still the Superior Court—of *Pope et al., vs. Truesdell et al.*, No. 708?—Yes, I now produce it.

Q. Have you the record No. 1070, Superior Court, *Belanger vs. Bourque*?—It was not asked for in the subpoena which was sent to me. I, however, brought it upon a requisition which was made to me.

Q. Then you have it here in your possession?—Yes.

Q. I shall request you to produce it?—Here it is. (Witness produces the record in question.)

Q. Have you with you the record No. 1214, *Eulalie Fortin vs. Cyprien Charbonneau*?—Yes, and I now produce it.

Q. Have you with you the record No. 1178, P. X. *Beauparlant*, insolvent, and A. *Germain*, assignee, opposant, and *Olivier Chauvin*, petitioner?—Yes, I now produce it.

Q. Have you with you a record of the Superior Court, District of Richelieu, in which the names of the parties are *Mondoux vs. Letendre*?—I have not; I could not find it among the archives.

Q. Did you ascertain whether such a case existed?—Yes, I ascertained that there was a like record.

Q. Did you observe that that record bore the number 5633, and the same name, that is to say, *Mondoux vs. Letendre*?—Yes.

Q. Did you ascertain whether judgment was rendered in that case?—That is more than I can say. I did not remark specially.

Q. Did you make a search for that record?—Yes, I searched in the pigeon-holes, where all the records are, but I could not find it. I told Mr. *Germain* that I had not got it,—that it was not in the pigeon-holes.

Q. Did you make a thorough or a superficial search to find that record?—When I received my subpoena I looked in the pigeon-holes where, by its number, the record ought to be, without finding it. I searched as we usually search when advocates ask us for a record. I did not search in the book of receipts which the advocates give. It may have left the office a long time ago, but I do not know.

Q. Will you open the register of cases inscribed for *enquête* and hearing at the places where the entries are, relative to the two cases, *Mathieu vs. Brousseau*?—Here it is: 3rd October, 1873.

Q. Is that the first entry which is made of those cases?—I think so.

Q. Be pleased, then, to refer to the 17th May previous?—Yes; here I find two entries.

Q. What are they?—For the case No. 1322, *the plaintiff declares his enquête closed,—to the 19th, for the enquête of the defendant.*

Q. And for the case No. 1332?—For the case No. 1332, of *Mathieu vs. Brousseau*, I see *The plaintiff declares his enquête closed.*

Q. Is there a day fixed for the *enquête* of the defendant in that case?—No.

Q. Now, Mr. *Gouin*, will you turn to the 19th May, and see what is done in the case No. 1322?—In the case No. 1322, here, *To next term.*

Q. And in that No. 1332?—*To next term also.*

Q. Will you say how it happens that the case No. 1332, for which there was no postponement to a fixed day, on the 17th, is entered for the 19th; could it have been entered for an intermediate day, for the 18th for instance?—I cannot say * * * I think that * * * I see here a *do.* which may apply to the preceding entry. I think that that ditto signifies what is stated by the preceding entry.

Q. Now will you turn to the month of October, at the first mention made of those two cases in the register which you have in your hands?—Here.

Q. It is the following term, is it not?—Yes.

Q. What day?—3rd October.

Q. Are those two cases entered?—Yes.

Q. What entries were made?—For No. 1322 I see *P.O.C.A.V.* Those letters are struck out. Below there is *the defendant declares his enquête closed, P.O.C.A.V.*

Q. And for No. 1332, now?—There are also the letters *P.O.C.A.V.* which are struck out, and underneath, lower down, there is written *same entry.*

Q. Please tell us, now, what entry was made by the Judge on the Bench, on the

3rd October, 1873?—I cannot tell you. I did not examine the books subsequently, after the Court.

Q. Were you present in Court?—Yes.

Q. Were you cognizant of the calling of those two cases?—Yes, I think so.

Q. Did the defendant declare his *enquête* closed?—I cannot say. I do not know whether he said his *enquête* was closed, or whether he said he had nothing to say. The adverse party argued his case and * * *

Q. You have not any recollection of the matter?—No.

Q. In whose hands was the book?—In the hands of the Judge.

Q. In whose handwriting are those entries?—They are in the handwriting of the Judge.

Q. You said just now, Mr. Gouin, that you did not examine the Register at once after the adjournment of the Court; had you occasion to examine the said Register say eight or ten days afterwards?— * * *

Q. I will recall circumstances to your recollection; did not one of the advocates, Mr. Mathieu, go to your office to look at those entries?—I have not any knowledge of that. It was, perhaps, to my deputy that Mr. Mathieu addressed himself.

Q. Was it to your cognizance that the defendant in one of those two cases inscribed the judgment for review?—Yes.

Q. Within the ordinary delay?—Yes.

Q. Do you not remember that Mr. Mathieu came, after that inscription, to examine the records and the registers?—I cannot say; I do not think he applied to me for that; it was perhaps to my deputy that he addressed himself.

Q. Is it not within your recollection that Mr. Mathieu complained to you of the entries which appear on the roll?—(Witness): Mr. Mathieu?

Q. Yes, Mr. Mathieu?—I do not know; I think not.

Q. Who was your deputy?—Mr. de Grandpré.

Q. Is he so still? Yes.

Q. Did Mr. Mathieu ask you either before or after the inscription in review to rectify the entries in the Register?—I cannot say; I think not.

Q. Did he ever speak to you about it?—I do not remember it.

Q. Did your deputy never inform you of such an application for rectification, which was made to him by Mr. Mathieu?—I think not.

Q. Is it to your knowledge that the Judge had that roll after the October term?—That is more than I can say; he might send for it or come to see it at the office.

Q. Now, Mr. Gouin, in this record *Pope et al. vs. Truesdell et al.*, will you take two paper writings, that is to say, two motions, and a document, if such there be, representing the judgment rendered on those two motions?—Here; I see here a motion of the defendant, Daniel Truesdell *et al.*, and a motion of the defendant, William Anderson.

Q. Those are the only motions which there are in the records?—No; here is another on behalf of the plaintiffs, J. O. Pope and others. These motions were produced in the District of Joliette. The two motions above-mentioned were heard at Sorel, on the 9th February, 1874.

Q. Who were the advocates on either side?—The advocates were Messrs. Godin & Desrochers for the plaintiffs.

Q. And for the defendants?—Messrs. Baby & McConville for the defendant Anderson; for the defendant Truesdell, Mr. I. N. A. McConville.

Q. Was there judgment on those motions?—Yes; upon each motion.

Q. When were those judgments rendered?—The next day—the 10th February.

Q. Have you a copy of those judgments—any document whatever relating to those judgments?—There is a slip or band of paper on which the *delibéré* is written.

Q. Is it the custom in the Courts in the District of Richelieu to make mention in that way of the judgments rendered?—Yes.

Q. That often happens?—Yes.

Q. Is that done always—invariably?—Almost always for motions; on the

merits it is always done, unless the Judge takes the record before him at once; then there is not time to mark anything.

Q. When the slip has been prepared by the Judge is it returned with the record?—It is I who prepare the slip and the Judge puts his note at the bottom.

Q. If I understand you, you hand the Judge this little paper, this slip, for the purposes of the *delibéré*; then the Judge returns you the said slip with a note of the judgment?—Sometimes the Judge writes his judgment elsewhere than on that slip—on a separate paper.

Q. Then that note comprises, in that case, mention of judgment rendered?—Sometimes it is not explained; sometimes he will say *judgment for the plaintiff or for the defendant*; sometimes he will write on sheets of paper.

Q. Are there other marks of judgment in those two cases?—There is no other indication than that; but sometimes I prepare a draft of judgment.

Q. Yes, but from that note?—Yes; a draft of judgment is prepared to be shown to the Judge subsequently.

Q. Well, in that case was there anything other than the slip which was returned to you by the Judge?—There is this in the record; there is a draft of a judgment on those motions in the record; it was not I who prepared it; it was my deputy.

Q. Is it to your knowledge that that draft of judgment was prepared when that slip was returned to you by the Judge?—That is more than I can say.

Q. What is the custom as to the drafting of those judgments; when are they prepared?—It is after they are given, unless they relate to matters [about which there is no difficulty,—matters of routine; then the judgment is prepared and sent to the Judge.

Q. And in the opposite case Mr. Gouin, when the matters are important, is there another custom?—In considerable cases; cases heard on the merits; the Judge then prepares his judgment himself.

Q. In both cases is the draft of judgment usually prepared, prepared according to the slip in question, and upon the written note of judgment sent by the Judge?—Usually the draft of judgment is prepared according to the slip, then my deputy goes to see the Judge and asks him in what manner the judgement is to be made.

Q. Thus if I understand you, the return of the slip to the clerk always precedes the drafting of the judgment?—Generally.

Q. When the Judge returns, or did return at the time, the record and the slip in question from the bench to the clerk, was there any other thing with them? Did the Judge add any other thing than the slip and the record?—(Witness): In this special case do you mean?

Q. Yes?—A.—I am not able to say.

Q. And other times, in other cases?—When the Judge returns the slip alone (on the bench) there is no need to prepare the judgment, and then the judgment is made out, and if there is any difficulty we go to the Judge to get information.

Q. Between the return of the slip by the Judge to the clerk, and the preparation by you of these judgments there are sometimes, are there not, a couple of days, and even three or four days; the Judge takes the slip, puts his note at the bottom, you the clerk, you take the slip and you make out your judgment. Well, is that done immediately or within the two or three days which follow?—That depends on the judgment; if they are important matters they are made out afterwards, if they are small matters of little importance, matters of routine, we do not wait.

Q. Do you wait till after the adjournment of the Court for that?—Yes.

Q. And when the matters are important?—We prepare that at once the next day.

Q. In all cases you always await the adjournment of the Court?—Yes; sometimes the judgment is made out before the Court adjourns.

Q. I remark here Mr. Gouin on the slip in the Pope matter, that certain words have been struck out and others added afterwards; what knowledge have you of that? I have no knowledge of that; it may be corrected on the slip even before it is presented to us.

Q. It may also be corrected afterwards?—I cannot say.

Q. Have you a personal knowledge of what was done subsequently?—I cannot well describe the matter precisely; I do not know if one of the parties did not observe to the Judge upon the motion which had been made that the party had not received notice of it, and I think that on the slip the Court rejected the motion of the plaintiff for want of notice, and that it was observed, so far as I can recollect, that notice of the motion had been given, then the Judge maintained the motion; but I am not positive of what I have just said. The motion of the plaintiff was to compel the defendant to reply to interrogatories upon articulated facts.

Q. In whose writing are the notes entered at the bottom of the slip?—In the writing of the Judge.

Q. On the subject of those cases of Mathieu & Brousseau, did you meet Mr. Brousseau in the autumn, in October or November 1873, when he was going to Montreal about the said cases; did you not meet him on board the steamboat?—I do not remember to have met him on board the steamboat.

Q. Do you remember having had a conversation with him on the subject of those two cases?—I only know that Mr. Brousseau complained that the entries had been changed immediately upon, or sometime after, the inscription of the said cases for review of the judgments.

Q. You do not remember your having both met, on board the steamboat, in the autumn of 1873?—No.

Q. There is nothing in your memory which recalls to you those entries made on the 3rd October?—No; in fact I did not pay attention to it.

Cross-examined:—

Q. I desire to cause the witness to state precisely what is the custom in relation to the entries made by the Judge on the slips.

Now, Mr. Gouin, is that entry made on the slip a final judgment of the Court, or merely an order to the clerk to make out the judgment?—It is a note which is taken as a basis in order to make out the judgment.

Q. Then on that note you make out any judgment whatever?—Yes.

Q. Is not that judgment which you so make out submitted to the Judge to be examined by him?—Yes; before it is entered into the registers, the Judge examines it and initials it.

Q. Then the Judge revises the judgment which you have prepared, and changes in the said judgment that which should be changed?—Yes.

Q. Then when the Judge has examined the judgment, and has made the changes which he considers he ought to make, he initials it?—Yes.

Q. And returns it to you?—It is then registered as it is.

Q. Do you consider there is a judgment of the Court before the judgment which you have made out, is initialed by the Judge?—I do not think there is judgment in the case before it is initialed by the Judge.

Q. Now, Mr. Gouin, please tell us whether in any of those judgments in the cases of Mathieu vs. Brousseau and Pope vs. Truesdell, any of the petitioners were interested?—The petitioners had no interest whatever * * * I do not see that they had any interest * * * *

Q. Do you state positively that they had no interest?—Yes.

Q. In the case of Pope and Truesdell did you ever hear any of the defending parties state that any one of the defendants complained of the judgment?—Never.

Q. Is it to your knowledge that they complained to others?—No.

Q. Now to return to those entries in the cases Mathieu vs. Brousseau; the inscription roll is kept by you is it not?—Yes.

Q. Is there another roll for the cases inscribed for *enquête* and hearing, is there another roll for the Judge?—No.

Q. In the cases which are inscribed separately for *enquête* and hearing, do you not make a *cahier* or small special book for the Judge?—There has been another book since 1874, for cases inscribed for hearing and points of law only.

Q. In this case is it not the fact that, regularly, it is not you who should make

the entries?—I do not know whether it is I who should make the entries; the last time Judge Caron came, he would not make the entries himself; he caused me to make them.

Q. Have you another book in which you enter the proceedings had in the cases?—We have a minute book (*plumitif*) in which we enter all the documents produced.

Q. When you make the transcript of a case, do you not usually and in order, enter all the proceedings had in that case?—We enter them in order in those different books.

Q. When it is necessary to relate the proceedings had at the *enquête*, from whence do you take those proceedings?—From that book, that is to say, from the roll of inscription.

Q. Now, if you ascertain by your books that there is a variance between two entries, would you not be obliged to state the proceedings as they were had, to choose between the two variances the true proceeding, that is to say, as it was had?—Yes, if I know it.

Q. Is it not to your knowledge that the entries made by the Judge on the roll of inscription are frequently changed in Court?—Yes, upon remarks made by the parties.

Q. For instance, does it not happen that after having continued a case for a day, the parties change their determination and continue it to another day; and does the Judge not then change the first entry, which he has made in accordance with the first ideas of the parties, in order to express the latter?—That happens very often.

Q. Mr. Gouin, what do you think is the effect of the statement of the party who, when called upon by the other to plead his case, says, "I have nothing to say;" in cases respecting promissory notes, where no proof has been adduced, is not that to the effect that the defendant admits that judgment should be given for the plaintiff; and then is not the order of the Court to make out judgment?—It is very difficult to reply to that. I think that * * * the party may have something in view in not speaking. In truth, I should be inclined to believe that he abandoned the case, and that judgment ought to be given against him.

Q. Is it not the practice that in those cases the Judge orders judgment to be made out in favour of the plaintiff, when the defendant states that he has nothing to say?—The practice is that the Judge says: Judgment for the plaintiff.

Q. Do you not consider that the declaration of a party who submits his case, or who declares that he has nothing to say, includes a tacit admission that he has finished his *enquête*, or that he has no *enquête* to proceed with?—Yes.

Q. When the case is inscribed for hearing on the merits, and the plaintiff pleads his case or wishes to plead his case, is not that the time for the defendant to avail himself of informalities which may have occurred in the proceedings at the *enquête*? (Question objected to as being illegal. Question withdrawn.)

Q. Is it not the practice to make, at the time of the argument on the merits, and before being heard, objections in relation to informalities of the *enquête*?—I think that is generally the practice.

(Examination of witness adjourned until to-morrow at ten o'clock.)

This 2nd day of March, the deposition of Mr. Gouin is continued:

Question. You said yesterday that the Judge sometimes struck out entries made by him in the register or on the roll?—Yes, the Judge sometimes makes erasures on the roll, upon the representation of the parties; an advocate arrives after the entry is made, and requires that the entry should be changed.

Q. Will you look at the part of the roll which relates to the cases inscribed for the 7th February, 1877, and tell us whether you remark an erasure in the case of Jean Baptiste Martineau vs. Sévère Laparière?

Question objected to by the advocate for the petitioners.

Objection set aside.

Answer. On the 8th February, in a case of *Martineau vs. Laprière*, the erasure which I see is this, "to next term." Those words are struck out. Lower down there is "to next term" entered a second time.

Q. Will you look at the roll of the month of October, 1875, and say whether in a case, *Lefevre vs. Leferriere*, there is not another erasure made by the Judge?—**Yes**; in that case of *Lefevre vs. Leferriere*, No. 1683, there is:—*the defendant called to proceed with his enquête, does not appear*; that is struck out, and then there is, *the plaintiff declares his enquête closed; enquête of the defendant fixed for the 30th, subject to objection.*

Q. Please look at the page of cases of the month of May, 1872, at the case of *Fortier vs. Charbonneau*; please tell us if the Judge made any and what erasure?—**Yes**; in that case I see an erasure which I will read to you:—*the plaintiffs being called and summoned to proceed with their enquête do not proceed; enquête of plaintiffs declared closed at the demand of the defendant; continued to the 17th peremptorily, the defendant declares his enquête closed.*

Q. Well, what is struck out?—All is struck out except 'his, *the plaintiff declares his enquête closed.* The words: *continued until the 17th peremptorily*, are not struck out either.

Q. Was the Judge the only person who made the entry of proceedings at the *enquête*; Have you not made them yourself sometimes?—I think that upon the order of the Judge I have made some sometimes. I see here an erasure in a case No. 1,332, *Bellefeuille vs. Bachelder*. The words: *to the 6th October*, are struck out.

Q. In whose writing are they?—I think they are in mine. I see another entry in my writing in a case, No. 1,501, *Johnson vs. Martin*. Nothing is struck out of that entry.

Q. You state that you have written certain entries upon the order of the Judge; has it not happened, or might it not happen that you have written or should write, yourself, without the order of the Judge, the declarations of the parties or the continuations of cases at the instance of the parties?—It may sometimes happen that the parties occasionally ask that I should make such or such an entry, and I have made it * * * when asked for when the Court was sitting.

Q. In the case of *Pope vs. Truesdell* were there not two judgments made out on the respective motions of the plaintiffs and of the defendants?—**Yes**; there were two drafts of judgment made out.

Q. Will you state whether those drafts of judgment were signed, initialled or approved by Judge Loranger?—I do not see the initials of the Judge in those two judgments; I see only that the Judge himself made erasures upon one of the two.

Q. Please state if it is not a common occurrence that in contested cases in the Superior Court and the Circuit Court, in addition to the note of the Judge, the clerk makes out upon that note, or upon the instructions of the Judge, a judgment which is called a draft of judgment?—Generally, in contested cases which present considerable difficulty, the Judge makes out the reasons of his judgment; but very often I make out the drafts of judgment, even in contested cases, and those drafts are submitted to him.

Q. Are those drafts of judgment, submitted to the Judge, considered as the judgments of the Court, before they have been approved and initialled by the Judge?—**No.**

Q. Now please examine the record in that case of *Pope vs. Truesdell*, and tell us whether any other proceedings have been had since the date entered on the back of those two drafts of judgment, that is to say, since the 10th February, 1874?—**Yes**; I see a great number of documents of proceedings which have been had since that date.

Q. Is that case still pending?—**Yes.**

Q. Do you remember whether the advocates of the parties, themselves, were present at the time of the giving of the judgment?—I cannot remember positively whether the advocates were there.

Q. For how long a time has Judge Loranger been the presiding Judge of the Court in the District of Richelieu?—I cannot tell you exactly; since 1864 I think.

Q. You were the clerk of the Court during that period, that is to say from 1864 the present time?—Yes; I was the clerk.

Q. Is it to your knowledge that several judgments were given against Mr. Barthe in cases in which he was personally concerned?

(Question objected to as not resulting from the examination in chief.

Objection maintained.)

Re-examined :—

Question. In the District of Richelieu, since you have been clerk there, have the judgments been delivered on the Bench in open Court or in Chambers?—They are delivered *vivá voce* on the Bench, unless they relate to cases pleaded in Chambers, and judgment has been delivered in Chambers.

Q. And it is after that that the draft of judgment is prepared upon the notes of the Judge?—Yes.

Q. From whence did you take the entry in the transcript for review of the judgment of the 3rd October, 1873, in the cases of *Matthieu vs. Brousseau*?—From the minute book (*plumitif*), this roll, and the register of judgments.

Q. Have you the transcript in question?—I see here an entry: *The defendant in open Court declares his enquete closed, 3rd October, 1873.*

Q. What is the date of the transcript? Is there a date showing the time at which it was prepared for the Court of Review?—I see that it is the 25th October, 1873.

Q. You stated, I think, that you took that entry from the roll of entries or from the minute book?—I took it from the roll of entries.

Q. Was it you who prepared it?—It was my deputy.

Q. Who signed it? It was I.

Q. Could you take that entry from anything else than the roll, or were there other documents in the record which could supply you with the necessary information?—I think there were no other documents which could give me the information which I required.

Q. You have spoken of changes made in the entries on the roll, and certain cases have been pointed out to you in which the entries have been struck out; are those alterations made only when the parties are present in open Court?—I think so, unless the parties go before the Judge in Chambers.

Q. Please produce the record No. 70, François Xavier Beauparlant, insolvent, and Adolphe Germain, assignee, and Olivier Chauvin, petitioner; also the record No. 1,174, Olivier Chauvin, plaintiff, vs François Xavier Beauparlant, defendant, and Adolphe Germain, in his official capacity, opposant?—I produce them.

(This 3rd March, 1877, before the witness' deposition is closed, the hon. Judge Loranger requests of the Committee be permitted to put some further questions to the witness, which permission is granted him.)

Re-cross-examined :—

Question. I shall ask the witness whether he has had a written requisition from Mr. Germain for the production of certain records?—I received a subpoena yesterday to that effect; I produce that requisition.

Q. I request the Chairman to be pleased to ask the witness to lay before the Committee the record of a case of *Loranger vs. Biron* and others.

(The Chairman states that there is no objection to such production.

The witness produces the record in question.)

Question. (Put by Mr. Fontaine.) At whose request did you bring that record?—At the verbal request of Judge Loranger.

And further the witness saith not, and this deposition having been read to him he persisteth therein, declaring that it containeth the truth, and hath signed.

A. N. GOUIN.

Ottawa, 5th March, 1877.

JOHN LANGTON, Auditor of Public Accounts, being duly sworn, deposeth and saith :

Q. You are the auditor of the Public Accounts?—Yes.

Q. Did you hold that position from the 1st July, 1867 to the 1st May, 1874?—

Yes.

Q. Have you, in your official capacity, in your possession the statements of account and the receipts of Judge Loranger?—I have the accounts which were paid to him for his travelling expenses during the period which you have mentioned.

Q. Please produce them?—I produce them.

Q. Are there receipts with those accounts?—Yes; those are the documents upon which the warrants for payment were issued.

Q. Were all the amounts mentioned in those accounts paid to Judge Loranger?—Yes. All those amounts were paid to him.

Q. Do you know Judge Loranger's signature?—I do not know it.

No cross-examination.

And the witness further saith not and this deposition being read to him he persisteth therein declaring that it contains the truth and hath signed.

JOHN LANGTON.

EDOUARD JOSEPH LANGEVIN, Under-Secretary of State, being duly sworn deposeth and saith :

I produce the originals of the documents which have already been produced before the House, and which the Committee called for this day by subpoena.

And the witness further saith not and this deposition being read to him he persisteth therein, declaring that it contains the truth and hath signed.

E. J. LANGEVIN.

JEAN BAPTISTE BROUSSEAU, advocate, residing at Sorel, being duly sworn, deposeth and saith :—

(Mr. Justice Loranger objects to the present witness being heard as being the inciter of the prosecution against him.

Objection set aside.)

Question.—Mr. Brousseau, what is your Christian name?—My name is Jean Baptiste Brousseau; I am an advocate and I reside at Sorel.

Q. You have been an advocate for several years?—I have been an advocate of the Province of Quebec since 1863, and at Sorel, in the District of Richelieu, for about seven years, during which seven years the Courts have been presided over by the Hon. Judge Loranger.

Q. Were you the defendant in the cases *Mathiew vs. Brousseau*, Nos. 1,322 and 1,332, the records of which were yesterday produced before the Committee?—Yes. I am the Defendant in the two cases, *Mathiew vs. Brousseau*, Nos. 1,322 and 1,332, in the Superior Court in the District of Richelieu, mentioned in the roll of *enquête*, and hearing of the said Court of the 3rd October, 1873, as well as on the same roll of the 19th May, 1873, and the 17th May, 1873.

Q. Were you your own advocate of record or were you represented by some other advocate?—In the first case, which was inscribed under No. 1,322, I myself appeared as advocate for the defendant; in the second case, No. 1,332, I caused to appear for me, with my authorization, Mr. Rainville, advocate of Montreal, now a Judge.

Q. What did you plead to those two actions?—In each of those two actions I produced a plea in considerable detail which now forms part of the two records pro-

luced before the Committee. Members of the Committee may, by referring to them, observe that I pleaded several facts necessitating proof on my behalf, although those actions were brought against me based upon promissory notes.

Q. When was the inscription for *enquête* made or served?—In the two cases I received at my office where there was an election of domicile for my advocate, Mr. Rainville, as well for myself as for him, a served copy of the inscription in the two cases for the *enquête* and the hearing on the merits, at the same time, on the 14th May, 1873.

That inscription which should form part of the record now before the Committee, fixes the *enquête* and the hearing in the two cases simultaneously for the 17th May instant, that is to say of the same month, leaving between the day of such service and the day for which such inscription was given, only two clear days, the 15th and 16th May.

Q. Were you reminded, or did you yourself bear in mind, that the delays between the serving of the inscription and the day fixed for hearing the merits of the evidence was insufficient, according to the rules of practice in the Province of Quebec?—On receiving those two inscriptions I at once referred to the Code of Civil Procedure, and I noted that according to the article of that Code, an article, the number of which I do not now remember, it was necessary to give the adverse party, in the case of every inscription for *enquête*, at least eight clear days' notice, between the day of the serving of such inscription and the day when the case is to be heard.

I also referred to an old rule of practice of the Superior Courts of the Province of Quebec long previous to the said article of the said Code. That rule of practice only requires two days' notice for all inscriptions where the inscriptions are made and notified to the adverse party during the continuance of a term of the Court, and I think also that on referring to certain precedents, I ascertained at the time that that delay of two days was insufficient, although fixed by that rule, and in the case of there being inscription for *enquête*, eight days' notice had to be given to the adverse party.

Independently of that, I came to the conclusion, and was personally convinced that since the code, which was later than that rule of practice, and which formally requires eight days' notice, there could be no difficulty but that the delay in relation to those inscriptions was insufficient, and that consequently I was not legally and duly called upon to appear for my *enquête* in the two cases, on account of insufficiency of delay.

Q. Was it during term that the inscription was served?—To the best of my knowledge those two inscriptions were given during the continuance of the term. However, I did not think of verifying the matter by the record or by the judicial calendar.

As to my conviction in relation to the insufficiency of delay in respect of the notice of those inscriptions, in order to be more sure that I was not in error, I went to consult one of my colleagues, Mr. Germain, of Sorel, to whom I communicated my views as to the irregularity of the inscriptions.

I asked him his opinion as to what he thought it would be most advantageous for me to do in the interest of my cases.

Mr. Germain, after having caused me to explain the details which I have just given, expressed to me the same opinion which I myself held in relation to the insufficiency of that delay, and in relation to the absolute nullity of those inscriptions or summonses to *enquête*, and he advised me, as he did not consider that I was obliged to appear on those insufficient summonses, to make default when called upon at the *enquête*.

I see by referring to the roll of *enquêtes* and hearings of the Superior Court in the District of Richelieu, which roll was produced by Mr. Gouin, the witness who preceded me,—I see on the roll of the 17th of May, 1873, those two cases entered upon it.

I am not absolutely sure whether I was present in Court or not when those two cases were called. But I observe by the roll that no proceeding or declaration by me or by my advocate in the latter case was entered; and I observe only that the plain-

tiff declared his *enquête* closed, and that the two cases were adjourned to the 19th of the same month; similarly for the *enquête* of the defendant in both cases.

On referring to the same roll for the 19th May, 1873, I again find those two cases entered at the head of the list; and further on, the only entry which I observe is this—to *next term*, in the two cases, without mention being made whether that is for the *enquête* of the defendant or for another proceeding.

I find by the said roll that the Superior Court was then adjourned to the 5th June, 1873, and that again, on the 5th June, it was adjourned to the 20th June.

There are on the roll cases continued inscribed for that day, on which roll I do not find the entry of either of my two cases above mentioned.

The next list or roll is that which was prepared and entered in this Register for the 3rd October, 1873; on this roll of the 3rd October, I find that my two cases are again entered with indication that they were both set down for defendant's *enquête* and for hearing.

On the 3rd October, 1873, I was present in Court because I had another case there immediately preceding those two, which was inscribed for proof and hearing. It was number 1368, a case of Elzear Derouin, plaintiff, *vs.* Mr. Urgèle Archambault, defendant. I remember that before Court day I had again spoken to my colleague, Mr. Germain, about my two cases, and remember that he then advised me that it would be better, in the interest of my two cases, and inasmuch as I had resolved to make default, that I should not attend that sitting of the Court; nevertheless, on my remarking that I had another case to watch, that same day, Mr. Germain ended by saying, that at all events, he did not see anything to prejudice my default as defendant in the two cases, in the fact of my being present in Court on their being called for *enquête* and hearing, provided I did not take any proceeding; and that was also my conviction after reflection, and after we had spoken together about the two cases in question and about the irregularities I have spoken of above.

I remember that when the two cases, Nos. 1322 and 1332, were called in open Court by Judge Loranger, who was then sitting, and who had in his hands or on the Bench before him, the roll of *enquête* and law, of which I have just spoken and which was produced by Mr. Gouin, a witness examined before me; on the first case being called, I refused to take any proceeding, as I desired to remain in default, in view of the adjournment I had received and which I considered insufficient and irregular; saving my right to avail myself of such informality later, if judgment was rendered against me.

Thereupon Mr. Mathieu, who was himself his own advocate in the two cases, and who was then present in Court, claimed judgment from the Court.

I saw from my place that the Judge then made an entry on the roll, an entry which I could not see from my place.

But inasmuch as Mr. Mathieu's proceeding had seemed to me extraordinary and abnormal, inasmuch as he did not rise to ask the Court to declare the defendant debarred, in view of his default, from proceeding to or appearing for his *enquête*, I was naturally anxious to ascertain and see, immediately after Court, what entries the Judge had made; for I considered that the only regular proceeding in like case for the plaintiff, was to ask the Court to close my *enquête*, or to issue an order to proceed, in view of my having failed to appear or proceed; and the manner in which that is done is as follows:—after a like motion *vivâ voce* on the part of the adverse party, the Court orders that the party in default be called by the crier of the Court, who is appointed expressly for the purpose, and if after two consecutive calls, the party in default does not appear, the Judge must then accede to the demand of the party desirous of forcing the other to proceed, and make entry in the Register that: *In view of default by the party, after having been duly called upon to proceed to his enquête, the Court declares his enquête closed.* Such, in detail, is the proceeding I anticipated on the part of Mr. Mathieu and of the Court, in these two cases; and having been astonished that that proceeding had not been had and noted at the same time that Judge Loranger had made an entry on the roll, I was anxious, immediately after the adjournment, to see what entry the Court had made; and immediately after the

adjournment, I went down to the office of the Prothonotary, Mr. Gouin, who had taken away the roll with him to his office.

I referred to the roll of the 3rd October, 1873, the same which is produced, and which is the only official and public one of the proceedings of the said Court when it sits, and I found that the only entry which had been made of each of those two cases, was the following: P. O. C. A. V., in the column appropriated to such entries.

These five letters are the initials of the five words signifying "*parties ouies, curia advisare vult,*" and is the abbreviation ordinarily used by the Judge to signify that the parties had been heard on their cases, and that the Court had taken the said cases *en délibéré*; and that is what that entry means, and nothing else.

After that—I do not know precisely whether it was the same day, but I think it was at once on the same day—I went to Mr. Germain, and told him of the entries which had been made on the roll, and we then spoke together about the consequences which those two entries might have on my future rights of review or appeal, in case I should be condemned despite the insufficiency of my adjournments at the *enquête*; and he was quite of my opinion that the entries could not in any way prejudice me, and that if judgment was given against me, I had certainly a right to complain, because that judgment would have been rendered without my having been legally adjourned to appear at the *enquête*.

Adjourned to 3rd March, instant.

3rd March, examination resumed.

Question. Continue your recital of the facts. —

At the sitting of the Court on the 9th October, 1873, judgment was rendered against me by Judge Loranger, in the two cases in question, that is to say, Mathiew *vs.* Brousseau.

In the first, No. 1322, judgment for \$500 with interest and costs, and in the second, No. 1332, for \$344, interest and costs.

After the rendering of those judgments, I again consulted Mr. Germain, and spoke to him about the two cases in question, intimating to him my desire to enter the said two judgments before the Court of Review.

I remember that Mr. Germain then manifested to me the desire to see, himself, the two entries which I had previously told him had been made in the roll, and which I had gone to verify after the adjournment of the Court, on the 3rd October, 1873.

The recollection I have of this matter is that, immediately after the adjournment of the Court—October term—(whether Mr. Germain went down with me to the Prothonotary's office or reached it after me), Mr. Germain examined the roll himself while I had it in my hands and was also examining it; and I again found, on that day, that the roll was in the same state as I had seen it immediately after the adjournment of the 3rd October; that is to say, that there was in face of each of the two cases in question the following entry: "P. O. C. A. V.," and nothing else.

Mr. Germain became more strongly convinced of my right to enter the judgments rendered in those cases before the Court of Review, basing his opinion on the irregularities of my adjournment to *enquête* in the two cases, as I said before.

Within the delay prescribed for entering cases in review, that is to say, within eight days after the rendering of the judgment, I took the necessary steps to enter my cases in review; and Mr. Germain authorized me to use his name as my advocate in review. In fact I think he had promised to assist me in review, inasmuch as he had other cases which would probably be pleaded at the same term for which mine were set down.

After having prepared the inscriptions in review—originals and copies—for the two cases, I went, in the forenoon as well as I can remember, to the Prothonotary's office. I think I met there, or on my way there, the bailiff to whom I had to entrust the same for service on the adverse party. Nevertheless, before entrusting

to him the inscriptions in question, I again asked, at the Prothonotary's office, to see once more and for the last time, the roll in which the entries before mentioned had been made. I again looked at the page of the cases, at the date of the 3rd October, 1873, and I again found there and then that the entries were still in the same state as I had seen them, that is to say, that the same entry was there "P. O. C. A. V."

Thereupon I left the inscriptions, originals and copies, with the bailiff, with instructions to go and serve them on the adverse party.

I think, however, that inasmuch the hour of noon had come before the bailiff came back with the return of the service I had sent him to make, and inasmuch as the Prothonotary's office closes at noon, I think I was not able to proceed regularly with the inscription of my two cases until two o'clock or about two o'clock, that is to say, a short time after the opening of the office.

When handing in the two inscriptions, I also made the deposits required; in one case forty dollars, I think, and in the other twenty dollars or something near it.

After that, I took no further steps in those cases, except when it became necessary to go to Montreal to plead in review.

The October term of the Court of Review passed without that case being entered on the roll for pleading.

At all events, it was only in the month of November that I went up to Montreal to plead them.

I think I remember that I had also other cases to plead in review for that same term, and I went up a couple of days, perhaps three days, before the first day of term of the Court of Review, in order to examine the records and prepare for pleading. And as in my two cases of Mathiew vs. Brousseau the question to be discussed was very simple, I waited until the last day before the term to see the records. In the afternoon of the day before the first day of the term of November, 1873, I went to the office of the Prothonotary at Montreal. I took up the two records of my cases and examined them.

My object in examining them was to take notes as to dates of the inscription, in a word, as to what constituted the basis of my defence, in order to set it forth in my *factum*.

On examining the transcript,—which is a summary or brief analysis of proceedings had in the case,—under date of 3rd October, 1873, I discovered to my great surprise, the following entry in the two cases:—"The plaintiff in open Court declares his *enquête* closed." On seeing that, I was greatly astonished, for two reasons: the first, because I had never made such declaration; the second, because I had ascertained myself, personally, with my own eyes, that such entry had not been made before the inscription of my cases in review.

I understood immediately and at once the consequences which these two false entries must have for me. In my opinion their effect must be to make me fail in review; because, in my opinion, the fact that I should have made such a declaration, by condoning the irregularities in the writ of summons to *enquête*, was equivalent to a renunciation of the right to plead them (those irregularities) as a ground for a review of the judgments rendered against me.

Not being able to explain how such a thing could have been done, I resolved to go down immediately, the same evening, to Sorel, and to return the same night to Montreal, in order to be present in Court to plead my cases on the following day. I did so.

On landing from the boat at Sorel about ten o'clock, and before going to my house, I proceeded at once to the boarding house of Mr. Alfred de Grandpré, then and still Deputy-Prothonotary, who was in the office when the entries were made.

On arriving I informed him of the object of my journey, and asked him for explanations, in order to know how the thing could have been done.

At first he showed some hesitation as to informing me of the matter. However, I must say that after I had told him how prejudicial the thing was to me, and that I had a right to be informed, he consented to give me information which appeared to me sincere at the time.

He said to me—

(Objection raised to the witness stating the conversation he had with Mr. de Grandpré, inasmuch as Mr. Grandpré might be called as a witness.

Objection maintained.)

Q. Did you examine the roll again on that occasion?—I was unable to examine it that evening, seeing that the office was closed.

The explanations of Mr. de Grandpré satisfied me that there had been an alteration of the roll. I could not, moreover, wait until the following day to see the roll, since I had to go up again to Montreal that same night in order to be present the next morning at the Court of Review.

I now state what occurred at the Court of Review. In the first of these cases, which had been instituted for five hundred dollars, with interest from the day of the maturity of the note on which it was based,—which maturity had occurred on the day next before the day of the institution of the suit,—Mr. Mathiew, the plaintiff, Respondent in Review, moved to have my inscription to *enquête* in that case (No. 1,322) declared irregular and illegal under a law then in force, and since repealed, which prohibited the inscription for review of all cases involving an amount of over five hundred dollars; and on that motion, which was, I think, admitted on the first day of term, the Court of Review decided that the days of interest from the maturity of the note up to the day of the suit having swelled the amount of the claim to a sum exceeding five hundred dollars, the Court had not jurisdiction to review the judgment rendered in that case.

As to the second case, as that question was not raised, there were other proceedings in review, as follows: on the first day of term of the Court of Review, that is to say, on the day following that on which I saw Mr. Grandpré at Sorel, I gave notice to my opponent of a motion, supported by an affidavit, for the third day of term, but I think the argument on the motion took place on the next day.

In that affidavit I stated the facts of the alteration, without implicating any person by name, and I asked, by my motion, that the record might be returned to the Court in which the suit was first instituted in order that it might be restored to its integrity, and to the same state in which it was at the time of the inscription for review.

That motion was rejected by the Court of Review, Mr. Justice Mondelet, dissenting. The reason which the Court gave was that there was a regular certificate of the entry of which I complained, in the transcript, signed by the Prothonotary of the Superior Court for the District of Richelieu, and that the proceedings for which I had applied by my motion could not be permitted on the affidavits of parties. I was compelled to plead at once on the merits.

I produced my *factum*,—which is to form part of the record laid before the members of this Committee,—in which I complained of the disadvantage which that must of necessity cause me in the result of the review.

The first judgment was confirmed, and I remember that the Judges based their decision in the reasons given, which were very brief, on the fact that, by my alleged declaration entered in the transcript of the third day of October, 1873, I had declared my *enquête* closed, which did not give me the right to avail myself of the irregularities of my adjournment to *enquête*.

But I think that judgment was not rendered until the following term of the Court of Review, as indeed is the custom.

Immediately after the term in Review, at Montreal, I went down to Sorel, where I reside, and the first thing I did was to go and see the roll, in order to ascertain with my own eyes how that entry had been made. I there saw the roll again, and then for the first time I saw the entry which was below the letters "P. O. C. A. V.:" *Defendant declares his enquête closed*; "P. O. C. A. V.;" and in the case No. 1,332, immediately below the first of these two cases, I found that the letters "P. O. C. A. V." had been struck out as in the preceding case and that the words "Same entry" had been added.

Q. In whose handwriting?—The words "P. O. C. A. V." *Defendant declares his*

enquête closed," and these words : " *Same entry*," in the case immediately following on the roll, are in the handwriting of Mr. Justice Loranger himself.

By that examination I became convinced that the roll had been altered after the inscription, by the hand of Mr. Justice Loranger himself.

I think that is all I remember in relation to the alterations in those two cases.

Q. Did you on the 13th of October, 1873, or on any day of that term, or in the term of June or May previous, in court, declare your *enquête closed* in those two cases?—I think I have stated above that I had never made any declaration in that sense, or of that nature ; if I have not already said it, I say it now.

Q. Did you, out of term, out of Court, between the beginning of May and the rendering of the judgment in Chambers, in the presence of the Judge, or out of the Judge's Chambers, consent to such entry being made on the roll and on the record?—No ; I never had a thought of doing so.

Q. You were your own advocate in those cases, were you not?—In the first case I was the advocate for the defendant, that is to say, my own advocate, and in the second it was Mr. Rainville, of Montreal, who was the Advocate of Record.

Q. Did Mr. Rainville attend in Court in May, June, or October, 1873?—No ; never.

Q. Be good enough to explain the use of "slips" as known to you during the whole time you have been in practice as an advocate at Sorel?—Ever since I have been in practice at Sorel those "slips" have been used, with blanks, precisely like that which forms part of the record, *Pope vs. Truesdell*. It has been Judge Loranger's custom to make use of those slips in rendering his judgments, and this is the way he proceeds in doing so : after the hearing of the case, the clerk prepares the record, puts all the papers in order, and attaches thereto a "slip" in blank for the use of the Judge. The Judge, in the course of his *delibéré*, or afterwards, makes on the slip notes containing the substance of the judgment he intends to render from the Bench, and the substance of the grounds of that judgment.

In most instances, when it is a final judgment in the case, the Judge writes on the back of the slip, and sometimes, indeed, I remember to have seen an additional strip of paper, of the same width as the "slip" in question, attached thereto ; on that strip the grounds of judgment were continued. The Judge signs his initials at the foot of the grounds of judgment, precisely as I see has been done in the case of *Pope vs. Truesdell*. When the Judge pronounces judgment from the Bench, he generally pronounces it with this "slip" before him, adding such developments as he thinks proper to add, and I know that often in important cases, the Judge delivers highly elaborate judgments, of which he has private notes which he afterwards communicates to the clerk ; but those private notes never form part of the official judgment, or of the official notes of the judgment of the court.

Immediately after having rendered judgment, the Judge restores the "slip" to the record, and hands it to the clerk who sits in front of him, and those notes on the "slip" are the only written notes which are delivered by the Judge to the clerk, of the judgment he has just pronounced from the Bench ; and it is from those notes on the "slip" that the clerk afterwards makes out a draft of the judgment which is to be submitted to the Judge for his examination ; and I understand that when there is in the draft of the judgment as prepared anything which the Judge does not consider conformable to the judgment rendered by him from the Bench, he makes changes therein before authorising the clerk to enter the judgment in the registers of the court.

But I am not aware that the Judge ever changes the substance of the judgment he has rendered in open Court.

Often, and I might say, almost as a general thing, some days elapse before the judgment rendered in open Court is prepared by the clerk and approved by the Judge. During that interval, the only note in writing which exists in the office, of the judgment rendered in open Court, is that to be found on the slip initialed by the Judge, and it is the only record to which the parties can refer in order to verify the judgments which have been rendered, before they are entered in the register.

Q. Have you attended the Circuit Courts in the Counties of Berthier and Yamaska? If so, state during what time?—Since I have been practising in the District of Richelieu, I have had occasion, at different times, to plead cases in those two Counties at the Circuit Court held there at certain periods; still I have not attended that Court regularly.

Q. When did you begin to follow those Circuits?—I do not remember precisely at what period I began to follow those terms; I think it was shortly after my arrival at Sorel.

Q. When the Honorable Judge held those Courts—take for instance Berthier—when and how did he go there?—To the best of my knowledge he went there on the morning of the first day of term. He crossed, sometimes, in the boat which leaves Sorel about six o'clock; at other times, to my knowledge, he had himself put across by private ferry at the very hour of the Court.

Q. And when did he return to Sorel?—In the evening of the same day; in short he went backwards and forwards each day of term, even on consecutive days, in order to sleep at home. He did this until about 1874. Since that time I have often noticed that he had come there the day before; that he slept there and that he often returned on the day following the last day of the Court, which I had never seen him do before that time.

Q. What is the distance between Sorel and Berthier?—A couple of leagues by boat; and in winter a direct crossing of about four miles.

Q. How long does it take to go the distance by boat, during summer, and how long in winter vehicles?—In winter it takes, according to the state of the roads, half an hour or three quarters of an hour; and by boat the trip takes, I think, three quarters of an hour.

Q. Now as to the District of St. Francis; how did the Judge attend, from 1867 to 1874, at the *chef lieu* of the County of Yamaska? Did he attend there on the day itself or before?—On the few occasions when I attended the Court held at St. Francis, I found that the Judge reached there on the morning of the first day; and in as much as, to my knowledge, the term at St. Francis never lasted more than one day, the Judge returned the same evening to Sorel; that was the Judge's invariable custom during the period from 1867 to 1874. On other occasions, that is to say, when I did not go to St. Francis for term days, when I had no cases to plead there, I have seen Judge Loranger pass, on his way there, on the Court day itself, and returning afterwards the same evening.

Q. Since 1874—since the charges made against Judge Loranger, has it been otherwise? (Question objected to by Counsel for the defence. Objection maintained.)

Q. What is the distance between Sorel and St. Francis?—It is about six leagues by the summer roads, and about five by the winter roads.

(Questions by Mr. *Taschereau*). Apart from the roll of *enquête* and of law, and the minute book, is there another roll containing the proceedings of the Court?—I do not know any other roll but this; I never saw any other, and to my knowledge it is the only official and public roll which shows the entries and proceedings had in Court.

Q. When a case is inscribed, whether for *enquête* only or *enquête and hearing on the merits*, is it at once entered in this register, or is there another for such inscription?—It is entered at once in that one and only book, which is to be laid before the Court, and the Judge uses it in calling the cases.

Q. Does that book remain before the Judge during the whole time the Court sits?—The custom is as follows: the clerk lays that book before the Judge, and the practice has always been for the Judge to make the entries; after Court the Judge returns the said roll to the clerk, who keeps it.

Q. After Court it remains with the clerk, at the disposal of the parties, does it not?—Yes; it is the only one we consult in order to ascertain the entries made in Court.

Q. Are all cases entered for *enquête* and hearing, or have you a special day

reserved for cases inscribed for *enquête* only?—For some time we had terms for *enquêtes* only, which were appointed by Mr. Justice Loranger; but now we have no special terms; the *enquête* and hearing proceed simultaneously. Nevertheless, we sometimes inscribe a case for *enquête* only. Such cases are, also, to the best of my knowledge, entered on the same roll.

Q. Does the minute book itself contain the declarations made by the parties at the *enquête* in open-Court, or at the hearing?—I am not certain that I ever saw that; my impression is that the declarations of the parties are not usually entered in the minute book. When I have had occasion to see the minute-book I never saw anything else but the entry of the pleas. I do not remember having seen any declarations of parties in the minute-book.

Q. The minute-book, then, contains merely the list of records filed?—As far as I know, that is what I had occasion to see therein when I consulted it.

Q. When the clerk prepares a case for review, he must make use of the minute-book and the roll, in order to ascertain all the proceedings had?—Yes, I think that is how he acts.

Q. Examine the roll of *enquête* and of law, laid before the Committee by the Prothonotary of the District of Richelieu, and see if there are other entries in the last column than those made by the Judge?

(Witness examines the said roll.)

A. Examining the roll rapidly, I see that there are in this column entries which are in another handwriting than that of the Judge.

Q. Say which entries?—(1.) In the roll of the 3rd October, 1872, I find an entry, the word: "struck out," which I believe to be a different handwriting from that of Judge Loranger.

(2.) At foot of the roll of the 17th May, 1873, I see another entry: "19th May, 1873, *Nineteenth May, eighteen hundred and seventy-three,*" also in a different handwriting from that of the Judge;

(3.) On the 2nd March, 1874, I find the following entry: "On the 3rd March, Plaintiff declares his *ENQUÊTE* closed; on the 4th the *enquête* of Defendant." These words are in the hand writing of Mr. Gouin, the Clerk.

(4.) On the 2nd October, 1874, I find the following words: "6th October, 1874, the parties declare their *enquête* closed," which are in the handwriting of the Clerk and initialled by the Judge;

(5.) On the 1st February, 1875, I see an entry in pencil, which I cannot understand; it seems to me to be three initials and underneath: "Eleventh February, 1875."

Q. In whose handwriting is that?—In an unknown handwriting; it is in pencil and might be the Judge's writing, or that of some one else.

(6.) On the 4th February, 1875, here is another entry in the clerk's writing: "Eleventh February, 1875, the parties declare their *enquête* closed."

(7.) On the 2nd March, 1875, I see the following words: "To next Term, 6th March, 1875," also in the clerk's writing.

(8.) On the 25th October, 1875, in three cases, I find the word: "Judgment," written in abbreviated form,—"*Jugt.*," in pencil. I am unable to tell you whose hand writing that is.

(9.) On the 19th February, 1876, all the entries made on that day are in the Clerk's handwriting. There are four of them.

(10.) On the 22nd February, 1876, there are two entries, one by Mr. Alfred de Grandpré, deputy clerk, and the other by Mr. Gouin.

(11.) On the 9th March, 1876, I see two entries in the clerk's writing.

(12.) On the 5th April, 1876, also two entries, both in the clerk's writing.

(13.) On the 6th April, 1876, in like manner two entries in the clerk's writing.

(14.) On the 12th April, in the same year, I find two entries in the clerk's writing, and two others in the hand writing of Mr. Justice Loranger.

(15.) On the 29th May, 1876, there is an entry in the hand writing of the clerk.

(16.) On the 21st June, 1876, an entry in the clerk's hand writing.

(17.) On the 6th September, 1876, one entry in the clerk's writing.

(18.) On the 7th November, 1876, *one* entry in the clerk's writing.

(19) On the 10th February, 1877, one entry in the clerk's writing.

Q. Apart from the entries you have just mentioned, all the other entries in the last column are in the handwriting of the Judge, are they not?—Yes.

(Question by Mr. Baby.) Here is a case which is completely struck out—Are there not in the roll many cases struck out without any indication opposite them to show by whom those cases were struck out?—Yes; and the very one now pointed out to me is the full entry of the case, which entry has been completely struck out. It is case No. 1943, 6th November, 1873; there are in the roll some others also struck out in the same manner.

(Question by Mr. Taschereau.) Who calls the cases in Court?—Mr. Justice Loranger himself.

Q. By naming the advocates who act in each of the cases, and in calling the cases he follows the roll which is before him, does he not?—Yes, certainly.

Cross-Examined.

Q. Are you not the instigator, or one of the instigators of the charges brought against Judge Loranger?—I shall state in a few words the origin of those charges. In 1874 there existed in the District of Richelieu manifest dissatisfaction on the part of many suitors of the district in question and of the majority of the Bar, against the administration of justice by Mr. Justice Loranger. Towards the fall of that year, as well as I can remember, being at the office of Mr. Gill, an advocate and a member of this House, with Mr. Germain, we had occasion to speak about the matter; there we decided together to take steps to have Mr. Justice Loranger arraigned. We had before us at the time reports of different clerks of the circuits where he had administered justice. We had also, I believe, reports of the payments of his accounts by the Government of the Dominion, and on comparing them, we were of opinion that there was strong *prima facie* proof of over-charges on the part of the Judge. And it was thereupon that we all three decided on the step of adopting the necessary proceedings in order to arraign Mr. Justice Loranger. The question of asking other members of the Bar than we three was raised at the time. We were agreed that there was no probability that Messrs. Barthe and Brassard would concur in our decision, because it was admitted that it was notorious at the time, that those gentlemen were favoured by the Judge. Nevertheless we decided that if none but those gentlemen held back, the members of the Bar would probably sign, and Mr. Gill undertook then immediately to see Mr. Mathieu, who was in partnership with Mr. Gagnon, in order to ask his concurrence. Personally, I have no knowledge whatever as to what passed between those gentlemen in the matter; but some time afterwards, perhaps a few weeks, we met again all three at Mr. Gill's office, to ascertain from the latter the result of the steps he had taken. He informed us that he had spoken several times to Mr. Mathieu about——

(Judge Loranger objects to the witness repeating the conversation Mr. Gill may have had with Mr. Mathieu.)

(Objection maintained.)

Having been unable to secure the concurrence of Mr. Mathieu, and in view of the two exceptions, the office of Mr. Barthe, and the office of Mr. Mathieu, we decided that it was better that the Bar should not sign the charges intended to be brought against Mr. Justice Loranger, because it would have been calculated to place the signers in an unfavourable position relatively to those who should not have signed.

Afterwards petitions which were not communicated to me personally, were sent to the Government without my personal co-operation, embodying some of the same accusations with which we are now dealing, and it was only last session that it was decided to lay those accusations before Parliament, since those addressed to the Government had had so little effect, and it was then that I took an active part in the matter.

Q. When did you again take an active part in the matter; what is the date of the first step by which you again took an active part in the matter?—I do not remember precisely the date; but it must be just before or at the beginning of last session.

Q. You speak of the session of Parliament in 1876?—Yes.

Q. With whose co-operation did you do that first act; was it with the co-operation of Mr. Gill and of Mr. Germain?—That time, I do not remember, having applied to Mr. Gill to co-operate with me, but Mr. Germain took part in it at the same time with me.

Q. Then it was with the co-operation of Mr. Germain alone that you commenced these accusations, was it not?—I can not say whether it was with the co-operation of Mr. Germain alone, because, without remembering all the details of the facts which occurred from 1874 to 1876, I think, nevertheless, I can recollect from those facts as a whole, that some of the petitioners on those previous petitions constantly urged the matter both upon us and upon the Government, in order that it might go before Parliament, since there was no other means of getting a hearing.

Q. Who are the petitioner or petitioners who urged the matter upon you?—I cannot remember that positively; I know that Mr. Latour, the notary, of Lanoraie, made several trips to Sorel; he chiefly addressed himself to Mr. Germain.

Q. When did he meet you yourself and ask you to lay these accusations?—I do not remember on what particular occasion; it was chiefly through Mr. Germain that the communications took place; but I know that at different times he spoke to me about it, or had spoken to me about it, during that interval of time.

Q. State how many times, where and when, notary Latour spoke to you about the matter.—I cannot answer that, because I do not remember it, as I have just told you a moment ago.

Q. Can you swear that he ever spoke to you about this matter; and mention a special instance of such a conversation?—I can swear that he did speak to me about it; but I cannot mention any particular circumstance, because I do not remember any.

Q. What step did he ask you to take?—As well as I can remember, he did not ask me to take any particular step when he spoke to me about it; we only deliberated together as to the best means, without indicating one in particular, and on the whole everything pointed to the laying the matter before Parliament.

Q. Will you state what this whole is which pointed to laying the matter before Parliament?—I mean the whole of the conversations we may have had together at different times.

Q. What is the whole drift of the conversations you may have had at different times with Mr. Latour?—I cannot give a more precise account of matters than I have just given.

Q. In what year had you those conversations, the whole drift of which was to lay before Parliament the accusation which were made against me?—It must be in the years which preceded 1876.

Q. Many years preceded 1876—many thousands; tell us which of those years?—I meant to say (when I spoke of the years preceding 1876) I meant to say, as I said above, from 1874 to 1876.

Q. During which of the two years, 1874 and 1875, did those conversations take place?—I think it was at different times during those two years.

Q. You do not answer my question; I ask you during which of the two years in question you had those conversations with notary Latour?—I think I answer it by saying, I think it was at different times during those two years.

Q. In what months of those two years did those conversations take place?—That is a thing I do not at all remember.

Q. Do you think you can remember in what season?—No; because the seasons had no particular connection with that; and it mattered little whether it was in winter, in summer, or in autumn; that made no difference in the matter.

Q. Do you know whether in January, 1876, Judge Loranger was sick?—I am

not personally aware of it, because I did not see him myself; but I know he was sick, because I heard it stated.

Q. In what month, about?—I cannot specify the month; I think it was just before or in the first part of the Parliament of 1876.

Q. Did you write him a letter in relation to his illness?—Yes; I wrote him a letter.

Q. Will you look at this letter and state if it is the letter you wrote to Judge Loranger?

(Witness examines the letter shown to him by Judge Loranger.)

A. Yes; it is my writing and my signature.

(The letter in question is filed by Judge Loranger.)

Q. With that letter, you sent to the Judge a statement, be good enough to say whether the statement now shown to you, and the result of which is that Judge Loranger was accused of having extorted *fifteen hundred and fifty-four dollars* from the Government, is that which you sent to the Judge?—Yes, it is a similar one.

Q. Is it not that one, think you?—I have no particular mark by which to identify it, but it was a similar one, if not that one.

(The Judge files the statement, which forms part of the record in *Loranger vs. Biron et al.*)

Q. State whether the envelope marked "*Private and in haste*;" "*Hon. Judge T. J. J. Loranger, Sorel*," is that which contained your letter and the statement in question?

(Witness examines the envelope shewn him by Judge Loranger.)

A. I think so, for I do not remember having written on any other occasions to the Judge

(This envelope is set down as No. 4 in the case just mentioned, *Loranger vs. Biron.*)

Q. Did you, a few days later, send to the Judge the "Votes and Proceedings" of the House of Commons of the 15th February, 1876, containing notice of a question to be put by Mr. Cheval on the following Monday, asking "Whether any Judge of the Superior Court for the Province of Quebec has, since the 1st December, 1875, asked to be allowed to retire? If yes, what is, or what are the names of such Judge or Judges, for what reasons and on what conditions, and reckoning from what day, has such leave to retire been asked for?" Also, another notice of enquiry to be made by the same party on the following Thursday, asking "Whether since January, 1874, inclusive, any complaints or accusations have been made to the Government against any of the Judges of the Superior Court in the Province of Quebec? If yes, what is the substance of such complaints or accusations, and what are the names of such Judges? What does the Government intend doing with respect to such complaints and accusations?" Was not that part of the "Votes and Proceedings" marked round about by you with a note in red pencil?—I think I sent a number of the Journal, Votes and Proceedings of this House, to Mr. Justice Loranger, about that time. Not having kept a special note of it, I cannot remember what number it was. It was, perhaps, a report of some proceedings of the House in relation to this matter.

Q. You say, "in relation to this matter;" do you mean in relation to the questions asked by Mr. Cheval?—I do not remember whether it was a motion made by Mr. Cheval or by Mr. Béchard; at all events, it must have been a motion referring to that.

Q. Will you take the Votes and Proceedings of the 15th February, 1876, filed as exhibit No. 7 of plaintiff, in *Loranger vs. Biron et al.*, and examine that part of the Votes and Proceedings pencilled in red, and say whether you sent it to Judge Loranger?—(Witness examines the document in question.)—A. As I stated above, I do not remember positively whether it was really that number of the Votes and Proceedings I sent to Mr. Justice Loranger. It may be that it was that one; I think I remember having pencilled, I know not whether in red or in blue, the part which was to engage his attention.

Q. Did you say to any person,— "We are going to blow-up Judge Loranger

“because he has extorted fifteen hundred dollars from the Government; there is something under that, for Germain will be appointed Judge, and I shall have his practice?”

(Question objected to by counsel for petitioners. Objection set aside.)

A. I do not remember having said such a thing.

Q. Did you say it to J. A. Chennevert, foreman of the *Gazette de Sorel*?—I often spoke with Chennevert as one of our friends, and as a man who manifested much satisfaction himself at the possibility of ridding the district of Judge Loranger; and I have often, perhaps, spoken to him words implying on my part the assurance of achieving that result, by the proof which we had before us. But I do not think I could ever have said to him words expressed in the manner in which they are expressed in the question, because those words would indicate, on my part, that the moving cause of my action in this matter, was simply to take part in the accusations made against Judge Loranger, through a motive of personal interest; whereas, had I not been satisfied by my own experience in the course of practice, because I had seen, before having examined the documents now submitted to the Committee,—if, I say, I had not been satisfied, that Judge Loranger had been culpable in the administration of justice, I would never have meddled in this matter; and at the beginning of the matter, the question as to who was to succeed the Judge, was never mooted; it was only mooted when we thought the Hon. Judge was on the point of resigning, because the matter would be decided shortly afterwards by Parliament.

Q. Did you say to Mr. Chennevert any word tending to shew that one of your motives, or your desire, was that Judge Loranger should resign, that Mr. Germain would be made a Judge and that you would succeed him in his practice?—I may have said something to him of a nature to lead him to understand that on Mr. Justice Loranger retiring, or after his impeachment, such a thing might happen, but I never said a word which could lead him to understand that it was through that motive I was acting as I acted; if he understood that, I swear that he has misunderstood me.

Q. Did you not journey to Montreal with Mr. Chennevert, about that time, in the month of February, 1876?—I travelled with Mr. Chennevert, last winter, from Sorel to Montreal, but I do not remember in what month.

Q. Is it not true that, during that trip, you addressed to him the expressions I have spoken to you of above, or expressions of the same kind?—I remember neither what passed on that occasion, nor the expressions in question.

Q. When you sent to Judge Loranger the letter and the statement produced in this enquiry, did you know that Judge Loranger was said to be dangerously ill?—From all the circumstances at that time my opinion was that the Judge was shamming sickness, at home, for the purpose of retarding the proceedings which he had heard we were to take against him before Parliament, last session. That is what I thought, without knowing exactly whether the thing was true or false, the public believed that the Judge was sick.

(Monday, 6th March. Witness states that his memory failed him when he gave the above answer; he desires to make the following correction: I knew that Judge Loranger had been dangerously ill; I thought he was better when I sent my letter; it was only afterwards I thought he had shammed sickness.)

Q. Was it thought he was sick enough to be confined to his bed,—to be under the care of two doctors?—That is a thing I do not know; it was publicly stated.

Q. Then why did you say in the letter you sent to Judge Loranger that he was within the conditions required by law to obtain a retiring allowance, when those conditions are: a service of fifteen years as a Judge, or a permanent infirmity?—That did not mean that I believed the Judge to be dangerously ill; and from my reading of the law I did not think it was necessary that the Judge should be under the care of two doctors in order to be entitled to so retire; but I was sincerely of opinion that the Judge, if his sickness was not feigned, came within the provision of the said law, entitling him to retire, for he had already, previously, obtained on other times leave of absence, and on other occasions failed to hold Court by reason of illness

or indisposition; and I knew that the consequence of all that was prejudicial to the administration of justice.

Q. Where did you get the statement, (Letter K, record No. 3, of plaintiff), which you sent to the Judge at the same time with your letter?—I do not remember from whom I got that which I sent to the Judge—whether I got it from Mr. Germain or some one else. We had both, I think, had similar copies for some time before.

Q. Who caused that statement to be prepared and printed?—I cannot swear positively to the name of the person who had that statement prepared and printed, but I may say that the first copy,—which I got long after the matter of these overcharges had come up, from a comparison having been made of the return of the terms with the Public Accounts,—came to me from Mr. Piché, Clerk Assistant of the House of Commons.

I am asked, 1st, Who prepared that statement? The first enquiry, to the best of my knowledge, was made by Mr. Germain and myself in his office, at Sorel, where we, for the first time, compared the accounts which he had received, with the Table of Terms; but we did not there make a special statement, though we took notes and made calculations of figures together; and it was perhaps a year—perhaps more—about two years afterwards, that I saw that Table in print for the first time.

Q. It was not you who drew up that table?—No.

Q. Nor Mr. Germain?—I do not know.

Q. Can you not name any one as the author of that table?—No.

Q. To the best of your knowledge, whom do you think to be the author of that table?—I cannot say who prepared that statement; I have said that I saw it for the first time in the hands of Mr. Piché, who informed me when giving it to me that the statement had been sent to the Minister of Justice by Mr. Latour, in support of the petitions which had previously been sent to him.

Q. Do you swear that you do not know that it was Mr. Piché who prepared the statement and who got it printed?—He never told me so, but I might perhaps infer from the tenor of several conversations I had with him, that it was he himself who prepared it, but I cannot swear to what I now say.

Q. Was it you prepared the first petition presented against Judge Loranger in the House on the 23rd March, 1876, and rejected by it?—I helped to prepare it; with regard to the paragraphs relating to overcharges in the accounts of the Judge, and to the negligence with which the terms were held, it is only a repetition of what is contained in the petitions previously presented by Mr. Latour to the Dominion Government.

Q. And with regard to the last part, the remaining charges?—The charge relating to alterations in the cases in which I am concerned, were prepared by myself. That which relates to the cases of Pope *et al.*, and that of Hus & Miller was prepared by Mr. Germain himself, he having been the counsel in those cases and knowing the facts.

Q. Now, who prepared the charge which relates to intemperance?—It was prepared by both of us together; one of us dictated and the other wrote.

Q. And the charge of partiality?—I think it was prepared by both of us, Mr. Germain and myself, jointly.

Q. In short, do you say, that apart from the portion taken from the first petition, the rest was prepared by you?—I think the rest was prepared by us; yet, I think, there are other general allegations, which came from the first petition.

Q. From whom did you get that first petition?—I cannot tell you; we had had one or two copies for a long time.

Q. Who had procured them for you?—I do not remember.

Q. Is it not true that it was not at the request of the petitioners that you prepared that petition?—It was not at the formal and direct request of the petitioners; but when the session was begun we had already long known the intentions of most of the petitioners in the matter, and we resolved to put those accusations into the form of a petition, and then to lay it before them and see if it met their views; that was

what was done; and those who signed, did so because what was shown to them did, in fact, meet their views.

Q. Name the petitioners whose views the petition met, in relation to the charges against Judge Loranger?—I shall mention more particularly Mr. Biron, Mr. Vadnais, Mr. Coutn, Mr. Beaupré, Mr. Kelly; as regards Mr. Kelly, he had never spoken to me about a petition, but I knew that, in general, he shared in the dissatisfaction which existed as regards the Judge. As to the others: Fortier, Pepin and Letendre, I was informed by Mr. Germain, who was their trusted adviser, that they shared our sentiments in that respect. As to Mr. Duguay, I learnt from his own lips, or else he had written to me, that he concurred in the steps we were taking to impeach the Judge.

Q. Was it you who got the first petition signed,—that which was rejected by the House?—Yes.

Q. Was it read to the petitioners before making them sign?—If I remember well I read it to all the petitioners except Mr. Kelly; I offered to read it to him, but, I think, he said it was too long; at all events, I told him the substance of it, and he signed it without difficulty.

Q. Did you read it to Mr. Pépin?—I cannot swear that I read it to Mr. Pépin; I went to his office with Mr. Fortier, to whom I had read it, and it may be that I did not read it to him; at any rate, if I did not read that petition to him, he was informed of the substance of it by Mr. Fortier and by me.

Q. Did you read it to Mr. Letendre?—I think I did.

Q. Did you read it to Mr. Beaupré?—I think so, as well as I can remember.

(Adjourned to Monday, 5th March, instant.)

MONDAY, 5th March.

Examination of witness continued:—

Q. Were the facts contained in the petition of "Biron and others," within the personal knowledge of the said Biron and his co-signers?—No; and I think, in fact, that that was set out in a special allegation. I cannot say precisely which are the facts which were within the personal knowledge of the petitioners.

On my way to La Baie to get the said petition signed, I stopped at the house of Mr. Rascony, merchant, a client of Mr. Germain, and from what Mr. Germain had told me, I had reason to think he would sign it.

Q. Did you solicit Mr. Rascony to sign that petition, alleging that Judge Loranger was a drunkard, that he had committed forgery, and that he had robbed the Government of fifteen hundred dollars; or did you make use of words conveying that meaning, in order to obtain his signature?—I do not think I made use of words like those. I imparted to Mr. Rascony the contents of the petition already signed by some other persons; I showed him the table annexed to it, giving him all the explanations he asked for.

Among other things, he asked me if I was sure the accusations which the petition contained could be proved; on that point he hesitated greatly; he said to me that he would consult one of his partners, and begged me to come back and see him; that he would give me an answer.

An hour afterwards I came back to the place, and then he answered me, that for his own part he would readily sign, but that the reason which hindered his doing so was the fear that we should not succeed, and that then he should find himself in a sorry position as regarded the cases he had in hand and those he should have in the future.

From the general tenor of the conversation which we had, I understood that he believed the Judge guilty of what the petition accused him of, but that he feared we should not succeed.

I likewise went to the house of Mr. Louis Manceau, a merchant at the Bay, for the same purpose which took me to Mr. Rascony's, and I gave him almost the same explanations which I did to the latter.

Mr. Manceau did not sign; and I understood that he did not sign for the same reasons which prevented Mr. Rascony from signing. He even informed me of certain facts, the nature of which made me presume that he believed the Honourable Mr. Justice Loranger to be guilty.

I cannot say whether I made use of the same expressions to all those to whom I addressed myself. What I can affirm is, that I told them in substance everything as I thought it really was. I gave them those minute and candid explanations.

Q. The drift, then, of the explanations which you gave them was to the effect of confirming in their minds the truth of the accusations made against Judge Loranger, and the possibility of securing evidence of the same; and it was after those explanations that they signed, and after the said petition was read over by several of them?—Yes. I do not recollect any other persons whom I asked to sign the petition beside the petitioners; there may perhaps have been some others.

I did not myself send the petition to the Honourable member of the House who was to bring it under the notice of the said House; I sent it, I believe, in an envelope to some member either of the Senate or the House of Commons, but I cannot now remember—the circumstance has escaped my memory. Last session I came here in the interests of the petitioners, as I have come this session.

I have no objection to admit that as a suitor amenable to justice, and as an advocate practising in the District of Richelieu, I am likewise interested in the result of this petition which concerns the administration of justice.

I do not know that I have any other particular interest in the resignation of the Honourable Mr. Justice Loranger, except to have him replaced by a Judge in whom I should have confidence and who would administer justice with impartiality.

I had for some time another more special interest, and I shall proceed to explain it:—Some time before the session of eighteen hundred and seventy-six there had been some talk about the charges already laid before the Government, and which we only wished to bring before the House, after having warned the Honourable Mr. Justice Loranger of our determination to make the matter public and to take proceedings. From all the indications and information, either true or false, which we had at that time, I came to the conviction, or had the impression, that the Honourable Judge would resign, and that, in fact, the only reason preventing his resignation, was that he had not yet reached the stated time for asking for his superannuation—that is to say, fifteen years' of practice as a Judge; and it was with the view of assisting him in the attainment of that superannuation, that I made the petition, signed by me, in which the superannuation of the Judge is requested, on account of weakness or ill-health.

When the idea came to me of the possibility of seeing the Judge resign on account of his health, I admit that I also came to think for the first time, about a successor to his office. The first time that I spoke about it was to Mr. Germain. I asked him whether he thought Mr. Piché would suit us as a Judge in place of the Honourable Mr. Justice Loranger. Mr. Germain then replied affirmatively, saying that if the vacancy which we foresaw should take place, he did not see that they could make a better choice than Mr. Piché, who was an old member of Parliament, and a distinguished advocate of the Bar of the District of Richelieu.

Several days afterwards I met Mr. Piché in the Advocates' Library at Montreal; there, for the first time, I made him acquainted with what had passed between Mr. Germain and myself. At the same time I offered him my services, if he thought they would be of use to him, in the matter about which we had just been speaking.

This was his answer: "*If my political friends desire to have me appointed a Judge they can do so every bit as well by appointing me elsewhere than to the District of Richelieu. There are other vacancies or others may offer, and, as for myself, I should prefer to be appointed elsewhere than to Sorel.*"

Some time after I saw Mr. Germain again. I informed him of the conversation I had had with Mr. Piché, and then, for the first time, I spoke to him of the possibility there might be, perhaps, of having him appointed Judge, in case of a vacancy in that office taking place.

Mr. Germain answered that I must be well aware that as for himself he could do nothing in that direction.

Some time after I had some correspondence with Mr. Barthe, member for Richelieu, of which I shall give the following extracts, which are of a character to explain perfectly the special nature of the interest which I might have in the resignation of Judge Loranger.

[Objected to by the Committee inasmuch as all which has reference to that correspondence should be included in the deposition. The attorney for petitioners maintains that the witness should have every latitude to answer at length upon a question which he considers to be very important, and as forming a part of his answer for his personal justification. The Committee authorizes the witness to continue, but confining his answer to the facts themselves, without citing in support thereof extracts from the correspondence above mentioned.]

When I wrote to Mr. Barthe on that subject, I told him that I did so under the impression that the superannuation of the Honourable Mr. Justice Loranger was inevitable and imminent. I did not suggest any name to him; I left to himself the initiative on that point. What I insisted upon was that if a vacancy occurred it was only right that it should be filled by a member of the Bar of our district, and it was upon that I based the two or three letters which I wrote to Mr. Barthe, always allowing him the initiative in the choice—putting the matter aside, in order that we might speak about it at the next meeting we should have, and hoping also that we should agree, in order that we might direct our influence so as to obtain an appointment in harmony with the ends of justice and the interests of the district.

I told him also that, besides the public welfare, this would give us and all the members of the Bar of Sorel an advantage, namely, that we might expect to profit, by the clients of him who might be appointed, if he was taken from out of the District, but I only spoke to him on, that question of clients, in a general manner; and it was in that way that I had an interest in the superannuation of the Judge.

Some days afterwards I had an interview with Mr. Barthe at Sorel, and he asked me to give him my opinion as to the man whom I believed, among us, worthy to be appointed Judge. I suggested to him the name of Mr. Germain, asking him what he thought of him.

He answered me that he would have no objection that they should appoint Mr. Germain Judge, provided that it should not be to a district where he had practised so long as an advocate; he told me also that they might, when appointing Mr. Germain, Judge, effect an exchange with a Judge of another district, which was far preferable, and that he would be ready to work to that end. Nor did he see any objection to that appointment, on condition that we should wait until a vacancy took place before thinking of filling it; in which I also acquiesced.

I remarked to him, however, that the reasons for which I spoke to him about a successor to the Honourable Mr. Justice Loranger were, that I feared that the resignation of the Honorable Judge might reach Ottawa at any moment without our knowing it, and that some one, a stranger to the district, would get the start of us.

Since that time, in July last, I think, in consequence of professional difficulties, I came to a complete rupture with Mr. Germain. I also broke off all relations with Mr. Barthe from that time; so that I entertain no idea nor have I any intention of talking any steps towards having Mr. Germain, or any other person, appointed Judge, in the event of a vacancy taking place in the district. I now therefore acknowledge no other interest but that of the district of Richelieu itself.

Q. You stated that you have no confidence in Judge Loranger. Will you state whether there ever was a time when you had confidence in him?—Certainly there was a time when I had confidence in Judge Loranger; and that confidence lasted up to the time when, so far as I can ascertain, he did things which caused me to lose that confidence. I cannot give precisely any date.

Q. Does that loss of confidence date from a time near the year 1874?—I cannot fix a precise date.

Q. In 1872 had you confidence in Judge Loranger?—I cannot say if my confidence began to be shaken about that time, or before, or after.

Q. Are you a signer of a petition which I now show you, which is marked "L"?—Yes.

Q. After the rejection of the first petition by the House, did you return at once to the district of Richelieu, and did you again have a new petition signed, similar to the first, with the exception of a few changes, by the petitioners, less Coutu and Pépin?—Yes, only there were a few of the petitioners, who did not sign, such as Mr. Pépin, who appeared to be under the influence of great terror. Mr. Coutu, who also did not sign, was not at home, I believe, when I went there for the purpose of getting him to sign.

Q. Did you sign the petition, a copy of which is shown you, which is now filed as exhibit "M"?—As my letter of the 4th of February to Judge Loranger shows, I was under the impression that he desired to obtain his superannuation, but that the difficulty was, to obtain it before the fifteen years that he ought to serve as Judge had elapsed; and my principal object in making that request was to favour his superannuation, in his own personal interest, as well as in that of the administration of justice in the district of Richelieu, and also to avoid the scandal of an investigation before Parliament in case the Honourable Judge would not resign.

Q. Did you likewise sign the paper now filed as exhibit "N"?—Yes, I signed it, and had it signed by a great number of petitioners.

Q. Did you say to Mr. Tellier, Clerk of the Circuit Court at Berthier, one of the witnesses summoned for this enquiry, and now present in the Committee room, that that petition was made with the consent of Judge Loranger, and that all the advocates signed with the exception of Mr. Mathieu?—I do not recollect that I said anything to Mr. Tellier but what I said in general to all the other petitioners, as well as to several other persons who refused to sign; and the substance of what I said was as follows: that I made that petition sincerely believing it to be in the interest of the Honourable Mr. Justice Loranger, and with the object of favouring his superannuation. I further remarked to those to whom I spoke about it that I believed that he would be eager to take it, if the Minister of Justice offered it to him. I also added—and I was under that impression at the time,—that I heard it stated that a member of the Judge's family—one of his brothers, I believe, had advised him to resign; but I do not remember who informed me of that. Perhaps I added other explanations, the details of which I do not recollect. If Mr. Tellier understood anything else but that from my words, it was either that he misunderstood me or that I expressed myself badly.

Q. Did you say that it was with my consent that you had that petition signed?—For myself personally I am very certain that I could not have said that.

Q. Did you say to Mr. F. X. Lafond, notary, and signer of the petition, that that proceeding on your part corresponded with my wishes?—I might, perhaps, have said to him that for my part I believed that it met the wishes of the Honourable Mr. Justice Loranger; if he understood it in any other way, he misunderstood me.

Q. Did you say to C. E. Emond, when you made him sign, that Judge Loranger had a chronic, an incurable disease?—I told him that I believed it, and I accounted for my belief from the number of his absences, and from his former illnesses.

Q. Did you say the same thing, or something of the same import to Germain Pelletier, and to C. Labelle, of Sorel, signers?—I spoke to all the persons who signed as well as to those who did not sign, and whom I saw for that object, in the manner and with the meaning which I have set forth above.

Q. That is to say, giving them to understand that it was in my interest that you were acting?—Certainly; I do not conceal it.

Q. You said the same to Dr. Ladouceur?—I do not recollect more particularly what I said to one rather than to another.

Q. You said to all the petitioners, among other things, that that met with my approval?—It may have been that to some of them with whom I was on more intimate terms, I might have spoken of the accusations which hung over the Honourable

Mr. Justice Loranger: that I believed that that proceeding in forcing him to send in his resignation, would perhaps have the effect of preventing those accusations from becoming the object of an enquiry; I do not recollect positively the facts, nor anything special which I might have said more particularly to one rather than to another of the petitioners.

Q. You said that you followed the Berthier and Yamaska Circuits. How many times did you go to Berthier to plead in cases there?—I did not say that I followed regularly the Berthier Circuit. I went there only sometimes, but I cannot state the number of times.

Q. Is it the same thing with reference to the St. Francis Circuit?—I cannot recollect the number of times that I went to St. Francis.

Q. Was it more than twice?—Yes.

Q. Was it ten times?—Perhaps I went there a certain number of times without having any case to plead; but during the Terms, I may very possibly have gone there some ten times.

Q. You stated that I left in the morning of the day for holding those Circuits, and that I returned in the evening. Can you mention any day whatsoever, to your personal knowledge, on which I left in the morning and returned in the evening; state how many times you saw me leave in the morning and return in the evening?—I can specially recollect but one case in which that happened, a day in the St Francis Term. The other cases I only remember generally. I mean to state by generally that I had a personal knowledge of the circumstances under which that happened without being able to state precisely the day or date. What I recollect is having seen him on certain occasions leave Sorel, and I supposed, that inasmuch as it was in the Term time, and moreover in the morning of the days of Term, he was going there. On other occasions I saw him return in the evening, and I naturally concluded that he was returning thence, seeing that this happened on Term days. Other times again, going myself to Berthier on business, I observed that he went there in the morning.

Q. I have the right, I think, to know how many times you saw me set out to hold my circuits, leaving in the morning and returning in the evening. Please tell me then, as closely as possible, how many times?—It is very difficult to put down in figures how many times.

Q. When a person states that a man has generally done something during a period of fifteen years, he ought to be able to state pretty closely how many times?—I cannot state precisely the number of times; perhaps ten times at each place, perhaps less, perhaps, also, more than ten times.

Q. On the third of October, one thousand eight hundred and seventy-three, at the time of the calling of cases for hearing on the merits, to wit: Mathieu vs. Brousseau,—is it not true that in answer to the Judge asking what you had to say, and after Mr. Mathieu had prayed judgment, that you replied, "*I submit the case,*"—or perhaps—"*I have nothing to say,*" or something with that meaning and to the same effect?—After Mr. Mathieu had prayed judgment I said nothing, for it was after the calling of the case, if I had to appear, that I should reply. I said something before but not after Mr. Mathieu had prayed judgment.

Q. And what did you say before?—In the fewest possible words, this is what took place: the Honourable Mr. Justice Loranger had the list before his eyes and called the cases. Coming to the first of my cases, that bearing the number 1322, he called it, naming the attorneys, and stating the names of the parties. At that calling I said nothing at all; I made it appear as if I had not heard; I did not wish to say anything, because such were the instructions of my attorney. The Honourable Mr. Justice Loranger appearing surprised that I did not answer, as he saw me present in court, addressed me, saying, as nearly as I can recollect, "*Mr. Brousseau, this is your case that I am calling.*" Thereupon I answered him, "*I have nothing to say.*" And it was after that, from my seat, that I saw the Honourable Judge make an entry on the roll.

The other case, that of number 1332, which followed immediately on the roll, was then called in the same manner by the Judge. At the calling by him I again

would not say anything. The Honorable Mr. Justice Loranger again turned to my side; I do not recollect whether he questioned me on the second occasion, but I conceived that his look meant a call for a reply. Perhaps he put me a question of the same nature as the former; I cannot say whether he spoke or not; in substance I must have said to him that I had nothing to say; thereupon I saw him make another entry on the roll. It was after that that Mr. Mathien rose and prayed for judgment.

Q. You know that the calling of the cases took place in consequence of your cases being fixed for *enquête*?—Yes, just so.

Q. You made, in the Court of Review, a motion to have the record sent back, in order that the entries might be altered, did you not?—Yes, in order that the entries might be made correct.

Q. You gave your affidavit in support of that motion, and Mr. Mathieu gave his?—Yes.

Q. The majority of the Judges rejected your motion?—Yes.

Q. Did not the Judges, in rendering judgment, state that the declaration which you had made by saying that you had nothing to say, was an equivalent to the closing of the *enquête*.

(Objected to by the attorney for the petitioners. Objection maintained.)

Q. Who made the Bill of Particulars which has been lately filed here?—We all three made it, Mr. Fontaine, attorney for the petitioners, Mr. Germain and myself. All three together.

Q. Who retained the services of Mr. Fontaine as attorney in this proceeding? Was it you or the petitioners?—It was the petitioners through me.

Q. Did all the petitioners instruct you to retain the services of Mr. Fontaine?—Almost all.

Q. Please name those of the petitioners who requested you to retain the services of an attorney?—I could name Mr. Fortier, Mr. Biron, Mr. Pépin, Mr. Letendre, perhaps there were others of them; and they asked me to follow the case, to watch their interests and to engage an attorney.

Q. You swear that they asked you to engage an attorney?—Yes; and I continued to give instructions to the attorney whom I had retained for the petitioners, and I did that in order to conduct the matter properly.

Q. You said that you wished to take advantage of the too short delay of the inscription for *enquête*—that your intention was to avail yourself of that?—I said in my examination-in-chief that I considered my summons to *enquête* as insufficient, that I had a right to make default, as I did. That, at the time, I did not know whether the Honourable Judge in his *délibéré* would neglect to examine the proceedings, and to see whether the delays were regular or not, but that I was firmly decided if judgment was rendered against me in spite of the insufficiency of the delay, to take advantage of it in Review.

I was sued upon promissory notes, but I had a special defence which is not usually met with in the case of ordinary suits upon promissory notes, and my case required an *enquête*.

Re-examined :—

Q. There was a reference made to Mr. Piché in the first part of the cross-examination which you have been subjected to, is Mr. Piché subject to the jurisdiction of the Court of the district of Richelieu, as well as at the same time an advocate in the said district, and did he attend the Courts from eighteen hundred and sixty-seven to eighteen hundred and seventy-four?—As far as I know, and since I have practised at Sorel, Mr. Piché has always been an advocate, practising more or less in the district of Richelieu; he attended principally the Circuits at Berthier, and sometimes at Sorel, —that is to say, he attended the Courts, more or less.

J. B. BROUSSEAU.

OTTAWA, 8th March, 1877.

ALEXANDRE ARCHAMBAULT, residing at L'Assomption, having been duly sworn, deposesh and saith:—

Q. You practise as an Advocate?—Yes.

Q. You practised from one thousand eight hundred and sixty-seven up to eighteen hundred and seventy-four, at L'Assomption, where you reside?—Yes.

Q. During that period did you attend each of the Terms which were holden there?—Yes; I believe so.

Q. I mean to speak of the Court presided over by the Honourable Mr. Justice Loranger; did you attend each of the Terms?—I believe so.

Q. When did the Judge come, and when did he leave?—The clerk will be able to tell you that. All the books have been brought here.

Q. You do not require that. To your personal knowledge when did the Judge leave and when did he arrive?—I have no personal knowledge of his arrival or departure. Perhaps I saw him a couple of times arrive in the morning and leave in the evening.

Q. Did it sometimes happen that the Court adjourned when there was still business unfinished?—I think so; I cannot swear positively; I have tried to remember the fact, but have not been able to do so.

Q. So you cannot remember any case precisely, or any date?—No; I believe that I recollect the circumstance when the Honourable Judge arrived and did not put up his horse. It was, I believe, to render a judgment in a case in which Henault was plaintiff against the corporation of Epiphanie, in the water-works matter, but I cannot remember the date of the circumstance.

Q. Is that the only case in particular which you can recollect?—Yes; it is the only one.

Q. You have stated, that in your recollection there often remained cases on the roll when the Judge adjourned the Court?—To the best of my knowledge that happened, but I cannot swear to it positively.

Q. Is it to your knowledge that suitors complained of that?—I might myself have said that the hasty departure of the Judge was injurious to the L'Assomption Circuit, but I never complained of it in an official manner.

Q. You spoke about it privately?—I believe that I spoke about it to Mr. Martel and to Mr. Guilbot, a practising advocate; perhaps to other persons; they did not complain.

Did you hear it stated that other people complained? Did any of your clients complain?—No; but since that time, I have remarked that many persons took their cases to the district of Joliette, because at L'Assomption justice was too tardy. That was told me some days ago.

Cross-examined:—

Q. It is, you say, but lately that you heard that?—I was told: "*It is an unfortunate thing that we have to take our cases elsewhere, but it is because for several years past justice has been too tardy at L'Assomption.*"

Q. How long since has Judge Loranger ceased to go there and to act as Judge?—Since the appointment of Judge Olivier. Since one thousand eight hundred and seventy-four, I believe.

Q. Do you recollect any case in particular when the Judge left L'Assomption before the roll was gone through with, and notwithstanding that the parties were ready to proceed?—I do not recollect at the present moment, but I believe that the Hon. Mr. Justice Loranger cleared off from the roll the cases inscribed for the first day, and that he left unheard some of those inscribed for the second and third days, when he left on the first day. The books would prove that.

Q. How many times did that happen?—Sometimes.

Q. Once or twice?—Twice, perhaps oftener.

Q. You know the distance between Sorel and L'Assomption?—They reckon it to be nine leagues.

Q. Then you know that there is the river to cross?—Yes.

Q. On the day on which I arrived in the morning and left in the evening, the 8th of July, 1872, do you not know that I came from the Court at Joliette, and that I returned there the same evening?—I believe that the Criminal Court was being held that month; I believe that it was on the 7th or 8th of July that you came and left in the evening.

Q. I had only two judgments to render?—Yes, I believe so.

Q. And I left after delivering those two judgments?—Yes.

Q. Now, do you not know that besides your circuit, I had a great number of circuits to hold; that I had Montcalm, L'Assomption, Berthier, Joliette, St. Francis and Sorel?—Yes.

Q. Do you know what the number of terms in each locality is?—No, I do not know.

Q. Do you know that I attended the Court of Appeals besides those circuits, from 1867 to July, 1871?—I have heard it so stated, and I have seen it by the reports in the newspapers.

Re-examined:—

Q. Is it to your knowledge that the Judge in opening the Court at L'Assomption stated for how long a time he would remain there?—It seems to me that he sometimes stated that he had only one day or one day and one-half to remain there.

This deposition having been read over to the witness, he persists therein, declaring that it contains the truth and hath signed.

ALEX. ARCHAMBAULT.

OTTAWA, 7th March, 1877.

FRANÇOIS BENJAMIN GODIN, Advocate, having been duly sworn, deposeth and saith:—

Q. You have been an advocate at Joliette for a long time, have you not?—I have been an advocate at Joliette for twenty-five years. I practised for three years at Montreal; that makes in all twenty-eight years that I have practised.

Q. Were you attorney for any one of the parties in a case No. 708, J. O. Pope *et al*, versus Truesdell *et al*?—I was the attorney for the plaintiffs.

Q. Did that case originate in the district of Joliette?—Yes, at the time the Honourable Judge presided over the Court in the district. But Judge Olivier having been appointed for the district of Joliette, as he had been engaged as attorney in that case, he declared himself incompetent to judge it, and he referred the case to Sorel.

Q. Did you present at the date mentioned upon it the motion which is now shown to you?—Yes, I presented at the date mentioned thereon, that is to say on the sixteenth day of October, one thousand eight hundred and seventy-three, at Joliette, the motion which is now shown to me; that motion is marked paper No. 30 of the record, I believe.

Q. Now you had an opponent in that case who resisted that motion?—Yes, Messrs. Baby and McConville.

Q. That motion was presented at Joliette?—I ought to state that it was presented before Judge Olivier, on the day when it should have been. Judge Olivier, as I mentioned above, referred that motion to Sorel, because the argument could not take place before him. The argument took place on the ninth (9th) of February, one thousand eight hundred and seventy-four, at Sorel.

Q. Who represented the firm of Baby and McConville at the time of that argument?—It was Mr. McConville.

Q. You went yourself, with Mr. McConville, to Sorel for that business?—Yes. Mr. McConville had also two motions to present.

Q. Did the Judge reserve his decision on that motion?—He took the case *en délibéré* until the following day.

Q. You then left?—As for me, I left; I do not know whether Mr. McConville left, or whether he remained.

Q. Did you commission anyone to obtain the result of the judgment which was to be rendered the next day?—I had commissioned Mr. Germain, of Sorel, to inform me of the result of the matter.

Q. Were you informed of it some time afterwards?—I do not remember, and I can not say how long after. I cannot say whether it was not the next day or on the same day that Mr. Germain informed me that judgment had been rendered, and he gave me to understand that the motions of the defendant were granted, and that mine was rejected. I do not know whether I was informed of that when at Sorel or when at Joliette; I cannot say whether it was a day after the judgment or on the very day of the judgment.

Q. Did you go to Sorel about that judgment, and will you state when?—I cannot fix exactly what day I went to Sorel about that; it was after having been informed that that judgment had been rendered; then I went to the clerk's office.

Q. Was that several days afterwards?—It was in the same month?

Q. Please tell us what took place at that time?—I went to the clerk's office and found on the slip which I found with the record an entry to the following effect: "*Judgment on the tenth of February, one thousand eight hundred and seventy-four, granting the motions of the defendants to have certain depositions rejected, and rejecting the motions of the plaintiffs for want of evidence of notice to the opposite party.*" That is what Mr. Germain reported the judgment to me to be.

Q. Was Mr. Germain at the clerk's office with you when you went to make that verification from the slip?—Yes, Mr. Germain accompanied me there.

Q. You saw that slip upon the record; please look at it?

[The attorney for the petitioners shows to the witness the slip which is found on the record *Pope et al.*]

A. I believe it was that one: I cannot identify it, because I did not put any mark upon it in order to recognize it.

Question put by the Chairman:—

Q. But you have no reason for doubting but that that was the very one which you saw when you went to the Clerk's office?—I have no reason for doubting it.

Q. Was it in term or out of term that you went to the Clerk's office?—I can not affirm whether the term was over or whether it was not.

Q. Did you see the Judge on that day?—Yes.

Q. After your visit to the clerk's office?—Yes.

Q. Where did you find the Judge when you went to see him?—He was in his room.

Q. In the Court House?—Yes.

Q. Did you take the record with you?—Yes; both the record and the slip. The reasons for the judgments had surprised me, because I was certain that there had been due notice given of the motion.

Q. You went up to the Judge's room with the record and the slip?—Yes.

Q. There, you found the Judge alone?—Yes.

Q. What took place then?—I represented to him that there had been a mistake made; that the entry of the judgment made on the slip was an erroneous judgment. I showed him a certificate of service of the notice, which was on the back of the motion; I told him that I thought that it was by error that he had rendered that judgment. After having examined the matter the Judge was convinced that there was a mistake; he took the slip and scored out the words *and rejecting that of the plaintiffs*. I see that the word *evidence* has been scored out by the Judge's hand likewise, I believe; and he has added the following: *and that of the plaintiffs*, above the words which he had struck out; which made the note read as follows: *Judgment on the tenth of February, granting the motion of the defendants to have certain depositions rejected, and that of the plaintiffs*. Then there remained the words which had not been struck out, *plaintiffs, note,—&c.*

Q. Granting thereby your motion rejected by the previous judgment?—Yes.

Q. What did the Judge say before so striking out those words, while striking them out, or after having struck them out?—When I showed him that there had been a regular notice given of the motion, he told me that he had not noticed it, and he made the erasures without making any other remark.

Q. Were the attorneys of the opposite party in that case informed of that proceeding?—No, they were not; I merely went to the Judge's room to show him the error above mentioned.

Q. You were alone with the Judge during the whole of that time?—Yes, I was alone with him.

Cross examined:—

Q. The object of your visit was to point out to me the mistake committed?—I went to see you in order to show you that there had been a mistake made, but I had no intention of asking you to make any change. But after what I had shown you, you at once saw the mistake and made the change in question.

Q. But did you not believe that upon showing him the error, he would put it right?—I understood that the Judge considered that the object of my visit was to have the error which had crept into his judgment in the motion, corrected?

Q. Well, Mr. Godin, you have known me for many years just as I have known you for a long time, did you believe that when I made the correction now in question I intended to commit a forgery?

(Objection taken to the question by the petitioners' attorney. Objection maintained.)

Q. Under the circumstances in question, have you not remained under the impression that the Judge did the thing in good faith, and without the intention of committing a forgery?

(Objection taken to this question by the attorney for the prosecution. Objection maintained.)

Q. Have you known of any interest that the Judge might have in making an erroneous entry, or one in bad faith?—No.

Q. Is it not to your knowledge that Mr. Germain had been likewise commissioned by Mr. McConville to watch the result of the judgment upon the motions presented by you and him, and to apprise him of it?—I cannot state so positively, but such is my impression.

Q. You then proceeded after the judgment in question?—Yes.

Q. Have you ever heard Mr. McConville or his partner, or any one of the defendants, complain of that judgment?—No.

Q. Now I am going to question you upon a point of practice. This is a preliminary judgment is it not; in the practice before the Courts of the Province of Lower Canada, are not those judgments revocable up to the hearing on the merits?

(Objection taken to this question by the attorney for the petitioners. Objection set aside.)

A. It could not be so in this case, because the question in point was to declare pertinent or not pertinent the interrogatories on articulated facts upon which objection had been taken by the parties, and the judgment could no longer be objected to, after the parties were compelled to answer to the interrogatories.

Q. I do not ask you whether in this case specially the judgment was revocable. I speak to you about a general rule—are not preliminary judgments revocable?—A. As a general rule, yes, for what might be called preliminary judgments; but not for interlocutory judgments which are executory.

Q. This case of Pope *versus* Truesdell is still pending?—Yes.

Q. No proceeding has been taken against that judgment?—No.

By Mr. Taschereau:—

Q. After having seen the Judge make the correction of which you have spoken on the slip which you had brought to him, did you leave the record as well as the slip before him?—No; I took it with me and put it back in the clerk's office.

Q. Did you point out to the clerk the correction which had just been made?—I do not remember having pointed it out to him, but I recollect having informed Mr. Germain of it.

Q. At that time was there an entry in the minute book recording the first judgment?—I do not know.

Q. Are those interlocutory judgments about which a question has just been raised made out at once or a long time after the first judgment, at Sorel?—I do not know what is the practice in the district of Richelieu. I do not belong to it.

By the Chairman :—

Q. Did you inform Mr. Baby or Mr. McConville of the correction which the Judge had made?—No.

No re-examination.

This deposition having been read over to the witness, he persists therein declaring the same to contain the truth, and hath signed

F. B. GODIN.

ADOLPHE GERMAIN, advocate, of Sorel, being duly sworn, deposeth and saith :—

Q. You are an advocate?—Yes.

Q. You have practised at Sorel some years?—Since eighteen hundred and sixty.

Q. About May, eighteen hundred and seventy-three, were you engaged by Mr. Brousseau to assist him in the conduct of certain cases, and especially the cases bearing the numbers 1,322 and 1,332, in which Mathieu was plaintiff *versus* Brousseau defendant?—I was not retained at that time. I believe that it was in October, eighteen hundred and seventy-three, some days before or on the eve of the October Term, that Mr. Brousseau requested me to assist him in the two cases in question. He had already spoken to me about that matter, but then he fully explained to me the point at issue, which was a difficulty concerning the insufficiency of the notice for inscription. I gave him as my opinion that the inscription was irregular, for want of sufficient notice. We examined the practice on that point, and, besides the formal article of the Code, I looked over with him two judgments which had been rendered on the point. I told him at that time that, in order to avail himself of that irregularity of inscription, it was necessary that he should make default when the cases in question were called. I even advised him to absent himself. I will add that I examined his defence, which appeared to be, *prima facie*, a good defence. Mr. Brousseau told me that he could not absent himself—that he had other cases which would oblige him to remain and attend in Court the very day on which his cases would be called, but that he would make default. It was well understood between us that he would allow himself to be called and foreclosed, and that he would say nothing on the calling of his cases. On the 3rd of October the Court opened. I was present when the two cases were called—I was in my seat within the bar. The first case, No. 1,322, having been called, Mr. Mathieu rose to pray for judgment. The Judge then addressed Mr. Brousseau, telling him that this was his case that he had just called. Mr. Brousseau rose and said “*that he had nothing to say.*” Upon this, Mr. Mathieu rose again and prayed judgment; and then I saw the Honourable Judge write something on the roll which he had before him.

Q. The same thing took place in the second case?—The other case having been called, some one said—*same entry*; but I do not know by whom those two words were spoken. I paid special attention to that matter, and I wished to see whether Mr. Brousseau executed well the orders which I had given him as his adviser. I shall say in this connection that Mr. Brousseau had told me that those were important cases for him, and that he wished to take advantage of the irregularities in the inscription, and that I thereupon told him that it was better that he should make default and that he certainly would succeed in appeal. I told him at the time that

if he did not make default he would lose the benefit of the position which he would have before the Court of Review, by the mere fact of those irregularities in the inscription.

After Court, perhaps on the very day, Mr. Brousseau asked me whether he had made default in the manner that I had recommended, and whether he had acted conformably to his instructions; I told him yes, and he left in order to examine the book,—(I believe that it was I myself, without being certain of it, who told him to go and examine the book;) he examined it, he told me, and added that the entry was what I am going to tell you: "*P. O. C. A. V.*" in the two cases.

He asked me to see the book, or I manifested a desire to see the book; I did so; I do not know how many days before the inscription I saw the roll, but in any case it was before the inscription of the cases for review; and, at all events, I am certain that I saw it. I ascertained, in the column opposite those two cases, Mathieu *vs.* Brousseau, that there was in the first "*P. O. C. A. V.*," and likewise "*P. O. C. A. V.*" opposite the second.

Then the inscription for review was made by Mr. Brousseau, who went up to Montreal on the evening before the day fixed for the pleadings. I was myself in Montreal at the same time that he was, on the first day of the Court. I had business there; he asked me whether I would plead his cases for him, but I told him my business would prevent my doing so, and advised him to plead in person.

On the evening of the day on which he went up, Mr. Brousseau arrived at Sorel by the boat, about ten o'clock; I was on the wharf; I asked him what news he had—he had an exasperated look; he told me what he had found in the transcript respecting the entry which had been made after the inscription of the cases for review. I told him that he ought, the next day, in Court, to give his affidavit relating the circumstances, and asking that the record be sent down to the court below to be there put in the same state in which it was before the inscription. He asked me to go up with him to Montreal in the same steamboat, which I did on the morning of the next day, which was the first day of Court, so far as I can remember; and there I ascertained that the transcript showed that the defendant had declared his *enquête* closed.

We both went to find Mr. Rainville, the advocate, to ask him his opinion about the proceedings to take.

Mr. Rainville advised the same course as I did, that is to say, to have the record sent back to the Court below.

I had business and could not attend in Court, notwithstanding Mr. Brousseau's wish.

He told me afterwards that the Judges had rejected his application, the Hon. Mr. Justice Mondelet dissenting.

I then went to look at the rolls. I cannot say whether it was in company with Mr. Brousseau, but I went to the clerk's office and found that the first entry which I had seen in it, that is to say, the letters "*P. O. C. A. V.*" was struck out by a transverse line drawn through it, and below were written the words: The "*defendant declares his enquête closed,*" with the initials of the Judge I believe; it looked to me like his initials, at any rate it was in his handwriting.

I found at the clerk's office the roll just as I find it here. The second case had also in it, *P. O. C. A. V.* and beneath, "*same entry.*" The letters, *P. O. C. A. V.* were struck out as in the preceding case, by the Hon. Mr. Justice Loranger's own hand. That change was made after the inscription for review, and at that time, because I had examined the roll before the inscription, and had always seen only the entries which I have already mentioned.

Q. In any case the alteration was made several days after the first entries were placed on the book?—Yes, several days after, perhaps on the very day of the inscription, or on the evening before, but I know nothing about it accurately. The entries made on the role are not generally speaking carried into the minute book. They are often the official record of the suit, and often also of the avowals of the parties taken in open Court. In general those entries form part of the transcript, and are not

entered in the minute book, in which are only entered the cases, their numbers, and the names of the parties; in a word, it is a list of the records.

Sometimes the *enquête* is closed upon any paper writing whatever, which is filed as a paper in the records, and this is then entered in the minute book.

Q. You are well acquainted with Judge Loranger's handwriting?—Yes.

Q. The entries of which we have just spoken are made by his hand?—Yes.

The hearing of the witness is adjourned until to-morrow, 6th of March, instant.

This 6th day of March the examination of the witness is continued:—

Mr. Germain, please examine the record Pope *versus* Truesdell, and tell us whether you have any knowledge whether Mr. Godin, attorney for the plaintiff, argued one or several motions in the Superior Court, presided over by the Honourable Mr. Justice Loranger at Sorel, on the (9) ninth of February, one thousand eight hundred and seventy-four?—Mr. Godin, in the case in question, and likewise Mr. McConville, for the defendants, argued three motions. One by Mr. Godin, on the part of the plaintiffs, respecting articulated facts; and the two others by Mr. McConville, for the defendants, in order to have certain depositions rejected. Those motions, after having been argued, were taken on *en délibéré* by his Honour Mr. Justice Loranger, who presided. Mr. Godin and Mr. McConville left Sorel the same day, begging me to inform them of the judgment which should be rendered on their motions. The next day, the tenth of February, judgment was rendered on the motions in open Court.

I know that some motions were rejected and some were granted; but as I was not acquainted with the record I took the trouble to look at the judgment in order to be able to inform Messieurs Godin and McConville of its purport. The judgment was written upon the strip of paper or slip, which is the leaf of the *délibéré* already produced, and was to the following effect: The "tenth of February, one thousand eight hundred and seventy-four, granting the motion of the defendants to have certain depositions rejected, and rejecting that of the plaintiffs for want of notice to the opposite party."

Between the words "rejecting that of the" and the word "plaintiffs" there was the word "defendant," which was struck out; and between the words "for want of" and "notice," there was the word "proof," which was struck out.

The words struck out attracted my attention, inasmuch as it was strange to put the word "proof" on a record.

I then wrote to Mr. Godin telling him of the tenor of that judgment, and giving him the reasons for the dismissal of his motion.

Some days after, I cannot accurately state how many—perhaps four, perhaps five—days after the Court rose, Mr. Godin came to my office and asked me whether it was really true that the Judge had dismissed his motion for want of notice. I told him that it was so, and that furthermore he might convince himself of the fact by going to the clerk's office. He invited me to accompany him to the clerk's office, which I did. He asked for the record, and together we ascertained that what I had already told him was correct.

Before leaving my office to go to the clerk's office he told me that his intention was to go and find the Judge in his Chamber, in order to remonstrate with him, and tell him in what a position he had placed him.

After we had examined the record together, Mr. Godin went up to the Judge's Chamber, whom he found alone; he remained some minutes with him—not a long time—and he returned with the record. So far as I am able to recollect, the slip was fastened on top; it may be that the slip was inside the record and not on top, for I do not remember that exactly. All that I do know is that I saw the slip in question, that the words "rejecting those of the" were struck out; above, between the lines were added these words: "and that of the plaintiff." At that time the draft of the judgment which I see here was not drawn out—at least it was not in the record. Mr. Godin, on his return, told me that he had obtained satisfaction.

Q. At the time of the rendering of the judgment, on the tenth of February one thousand eight hundred and seventy-four, was any one of the parties present?—They were represented by me, and the two parties had asked me to inform them of the judgment which might be rendered on their motions.

Q. Did you inform Mr. McConville of the result of his motions?—I think so, or I begged Mr. Godin to do so.

Q. When you saw the slip in question containing the judgment, and when you wrote to Mr. Godin, did that judgment bear the initials of the Judge?—It was just as it is now. The initials were there, and the initials are written with the very same ink and with the very same pen that they were then written with. While the erasure and the words interlined are in another handwriting and other ink.

Q. The initials which are there at the foot are the initials of the Judge?—I declare that I have no doubt of that. The Judge has a sufficiently characteristic handwriting, and I can determine from it that these are certainly his initials which are here at the foot.

Q. Now, during the period of time—one thousand eight hundred and sixty-eight one thousand eight hundred and sixty-nine, one thousand eight hundred and seventy, up to the close of one thousand eight hundred and seventy-four, what was the usage respecting the slip, in the District of Richelieu, during the whole time that Judge Loranger presided over the Courts in that District?—The judgment is without denial the sentence which is pronounced in open Court. Now it is requisite that that judgment should be written. The Judge almost always, if not always, writes out his judgments, and he writes them out almost always on this sheet of paper or slip, which is a part of the records, and this is how it is done: The Honourable Mr. Justice Loranger, some years back, introduced the practice in the district of Richelieu, of making the clerk put such a piece of paper or form for any kind of *délibéré* with the record when it is placed before him, the Judge. This slip in question, partly printed, is what I should call the sheet of the *délibéré*. This slip contains the number of the case, the names of the parties, the date of the day of the term during which it was taken *en délibéré*; that is to say, the date of the hearing, and a statement on the point of which there was a *délibéré*. There is, besides, the date of the judgment and the name of the Judge.

Generally speaking, the Judge, as I have stated, comes into Court and pronounces his judgments, with this sheet, upon which the whole judgment is written in his hand.

I have sometimes seen that when the judgment was too long to be put upon the slip, there was another strip of paper joined on to the said slip to continue the making out of the judgment. It sometimes happened also that he drew up his judgment upon ordinary foolscap paper; this was very rarely the case. At other times when he rendered a judgment written upon the slip, it would happen that he would proceed *viva voce* to give the detailed reasons for his judgment; sometimes, also, he wrote out at full length the grounds of his judgment.

That writing is never put in the record, but the journal of the *délibéré* or the judgment written by the hand of the judge is placed in the record and forms part of it.

When the judgments are only interlocutory judgments, they are made out briefly, as this one in this case, Pope *versus* Truesdell.

When it is a final judgment, and one which requires reasons, it is made out with the reasons and the decision.

After the judgment is rendered, and the draft of the judgment is placed in the record, it is customary for the deputy clerk, Mr. de Grandpré, to make a fair copy of the judgment, in the form that it should have in order to be registered. This is done because almost always the Judge only writes the reasons and the decision, and the preamble is put in the fair copy made by the deputy clerk.

It is the practice to show this draft of judgment to the Judge, who sometimes makes corrections in the words or sentences, of little importance, which can not essentially change it in any way; these are only corrections in its preparation.

From what I know and understand, interlocutory judgments are decisive judgments—executory judgments like all other judgments.

Our practice is borrowed, in a great measure, from the French practice and to a small extent from the English practice. The two practices have been modified in such a way as to suit us, so that at the present time we have a procedure which is our own.

We have not what they call in France a preliminary judgment, unless you can call a preliminary judgment the appointing of an *enquête* or of any proceeding whatsoever.

Interlocutory judgments are decisory and executory judgments, and can only be quashed in appeal, but never by the Judge who has rendered them, unless with the consent of the parties.

They are called interlocutory judgments in order to distinguish them from final judgments, because an interlocutory judgment is rendered upon an incident in the case, and the final judgment on the merits.

Q. Between the pronouncing of the judgment by the Judge on the Bench, and the drawing out of the slip, is there any other inscription, either in the record or in the register, of that judgment?—That is the only document that there is; I have sometimes happened to see a mention of a judgment on a motion.

Q. During the time that I have indicated above, namely, from one thousand eight hundred and sixty-seven to the end of one thousand eight hundred and seventy-four, was it the practice in the District of Richelieu to alter in Chambers interlocutory judgments?

(Objection taken to this question by the attorney for the defendants. Objection maintained.)

Q. You have a roll in *enquête* and hearing for the district of Richelieu. Will you tell us whether that roll is an official roll or a private record kept for the Judge?—It is the roll of the Court.

Q. Forming part of the records of the district?—Yes.

Q. You followed the Berthier and Yamaska Circuits?—Yes.

Q. Did you follow them regularly, from the 1st July, one thousand eight hundred and sixty-seven, to the end of the year one thousand eight hundred and seventy-four?—I did not follow the Berthier Circuit very regularly, but I went there almost every Term; I had sometimes one or two matters there. As to the St. Francis Circuit, I always followed it very regularly during the period you have mentioned; so far as I can recollect, I only failed to go there twice. I believe that I went on one of those times to beg Mr. Brousseau to take my place on the St. Francis Circuit.

Q. Well, as regards the Berthier Circuit. During the time that I have just mentioned, when did the Judge set out in order to go there to hold his Court?—On the morning of the day for holding the Court; sometimes in the afternoon; sometimes, even, it happened that he crossed at three o'clock in the afternoon; and in fine weather, in summer I mean, it happened that he very often made the crossing in a canoe.

Almost every time he returned in the afternoon, at the same time that I did, by the ferry steamboat which leaves Berthier at four o'clock; he returned to Sorel to sleep, so as to leave again the next day.

Q. On the last day of the Term, did the Judge return the same evening or the next day?—He returned the same day, and this took place down to one thousand eight hundred and seventy-four.

Q. During the same period, when did the Judge set out for St. Francis?—During the period in question there was never more than one day of Court; and it was not even a day, it was an hour, two hours, or three hours. There were even Terms when there was no Court held. On arriving at St. Francis I learned that a telegram had been received, announcing that the Judge was not coming there.

The Judge invariably left his house in the morning, about eight o'clock or half-

past eight, to go and hold the Court at St. Francis; he always returned about five, six, or seven o'clock in the evening.

The distance between St. Francis and Sorel is five leagues in winter and six in summer.

In winter it takes, at most, two hours to go there, and in summer it takes two hours and a half; it takes a little longer in summer.

I went myself three times in the same vehicle with the Judge; we left about half-past eight in the morning, and we were back, at the latest, at seven o'clock in the evening.

Cross-examined;—

Q. Is it not true that during the interval between one thousand eight hundred and sixty-seven and one thousand eight hundred and seventy-four you only went once to St. Francis with the Judge, in the same vehicle, during the November term?—I went there three times.

Q. Name them.—I cannot fix accurately the times when, but I shall state accurately the facts; the first time that I conveyed the Honourable Mr. Justice Loranger to St. Francis, I had a red mare, and I am certain that it was during that period.

Q. The first time, then, of which you speak, was in the March term, one thousand eight hundred and sixty-five,—it was the first year that I was at Sorel?—No.

Q. Is it not true that it was in the winter of one thousand eight hundred and sixty-five, the first year that I was at Sorel?—It was in one thousand eight hundred and sixty-eight, or about that year.

Q. Were you not one of the inciters of the charges brought against Judge Loranger?—I was not the originator of the complaints brought against Judge Loranger, but I have very often complained. It was not I who set going the first complaint; it was Mr. Latour, Mr. Biron and Mr. Marion. They came to my office as well as to that of Mr. Gill; they requested my co-operation, and asked that of Mr. Gill, as well as that of the other members of the Bar.

On or about the third of June, one thousand eight hundred and seventy-four, we met at the house of Mr. Gill. It was there decided to sign a petition complaining strongly of the Judge's conduct.

The question was to know whether that petition should be submitted to those within the jurisdiction, as well as to the other members of the Bar, and we agreed only to submit it to the members of the Bar, leaving out Messieurs Barthe and Brassard, whom we considered as unduly favoured by the Judge.

We made advances towards the members of the Bar, and after much parleying we were not able to succeed in having that petition signed by them in a body, because they feared the Judge's retaliation in case we did not succeed.

I myself spoke to other members of the Bar, who refused me because they found the success of the matter almost impossible.

I ought to say that since one thousand eight hundred and sixty-eight and one thousand eight hundred and sixty-nine there had been great discontent among the Bar on account of the favouritism shown by the Judge towards Messieurs Barthe and Brassard. I know that an influential member of the Bar, at my solicitation, or of his own accord, promised me to approach the Executive in order to effect a change of Judges in the shape of promotion.

By Mr. Desjardins:—

Q. Who was that member?—It was Mr. Mathieu.

I myself before the spring of one thousand eight hundred and seventy-four, came here to Ottawa in order to see the Minister of Justice, and to take steps in order to have the Judge changed. But the signing of the complaints was only contemplated in the summer of the same year, in July. Then Mr. Latour came to ask our co-operation; I hesitated for a long time to grant my assistance, because, along with many others, I found the scheme an excessively difficult one to carry out.

But at last, in one thousand eight hundred and seventy-five, I decided to prepare a petition (the first that was presented) in company with Mr. Brousseau, and to submit it to a certain number of the most substantial suitors within the jurisdiction.

That petition was drawn out and submitted to the suitors. I know that they signed it, for all those who signed it spoke to me about it afterwards.

Q. Do you mean to say that the subscribing petitioners to that petition are the most substantial suitors of the district of Richelieu?—I asserted that they were of the most substantial of the suitors. You will notice that two of them were members of Parliament; one of them was a member for twelve years.

Q. You said that you wished for a change of Judges, and that the suitors might be removed from the jurisdiction of the said Judge by means of his promotion?—Because I believed that that was the only way to effect a change of Judges.

Q. Is it not true that on the twenty-seventh of September, one thousand eight hundred and seventy-three, you went to the Judge in his Chambers, that there you offered him the support of your influence in order to have him appointed a Judge of the Court of Appeals, requesting his assistance to have you appointed in his place?—Decidedly not; and I consider the question as a gratuitous insult. I may add that the Judge, for a certain period, relaxed his harshness towards me in Court. I understood by that that he was endeavouring to secure my influence to go into the Court of Appeal. Had I any need of Judge Loranger to have myself appointed Judge?

Q. Did you not say to Mr. Mousseau, advocate, during the Appeal term of one thousand eight hundred and seventy-four, that the Judge would do better to resign; that he might obtain his superannuation, even although he had not completed his fifteen years; that it was necessary to work for that, and that you hoped that your friends would not forget you when it came to appointing a Judge?—I did what I could to avoid the impeachment of the Judge; I saw his friends, I saw his brother; I made his friends speak to him urging him to resign.

In the case in question, which I recollect very well, I remarked to Mr. Mousseau what is contained in the first part of the question, that is to say, that Judge Loranger would do better to resign, and I asked him what was the way to make him resign; because I knew that Mr. Mousseau was one of the Judge's friends; but I positively deny having said to Mr. Mousseau that my friends should think of me. Really, I must have been a fool to address myself to Mr. Mousseau in order to have myself appointed a Judge, for every one knows that he was not the man to have helped me in such a case. It is not possible that I could have said that to him.

Q. After last session, did you not reproach Mr. Barthe for not having sustained you in the petition presented to the Government, or for not having joined those who accused Judge Loranger?—That is a private affair.

Q. Did you not especially reproach him for having been the cause that you had not been appointed Judge, because he did not join you, or because he had supported Judge Loranger?—I will not answer that question; or, I will ask Mr. Barthe to come here and himself relate what was said between us. I believe Mr. Barthe to be too honourable a man to make a statement like that. I deny having said that, and I consider the question to be an insult.

On the contrary, I reproached Mr. Barthe with having spread certain reports; and I had a witness at the time, whom I had made to conceal himself, because I wished to have an explanation about those reports. I asked Mr. Barthe whether I had ever spoken to him about having me appointed Judge; I asked him the reason why he had said to others that I had asked him to have me appointed; and I took that opportunity on account of the witness, who was present although concealed, because the public might believe that I had solicited it, which was not the case.

In the conversation which I then had with him, I asked him, "*Have I ever said to you, that I longed for the office of a Judge?*" Mr. Barthe declared to me positively that I had never asked him. If Mr. Barthe does not say so, I shall bring the witness of that conversation.

Q. After last session, or during last session, did you go to the office of Mr. Sévère Rivard, advocate, at Montreal, and did you speak to him about the charges brought against the Judge?—It was not at his office that I saw him; I met Mr. Rivard in the book shop of Mr. Rolland; it was during the same trip that I spoke to Mr. Mousseau, so far as I can recollect.

Mr. Rivard was one of my great friends, and also one of the Judge's friends, or of one of his brothers. At that time I worked with all my power to prevent the accusations from being brought before Parliament, and I found that opportune meeting with Mr. Rivard a good one to speak to him about it. In fact, I spoke to him in Rolland's shop. He admitted to me himself that the Judge would do much better to resign.

I showed him that the petition was to be presented in Parliament, and that it was very painful to be obliged to go that length; I begged him to see the Judge's brother or the Judge himself, to see and make him resign.

After the petition had been presented, about three weeks after the conversation which I have just related, I went to Mr. Rivard's office, with whom I was on very good terms, and Mr. Rivard got red with anger at the first word, abused me, and showed me the door, without any other explanation. In the meantime I had written to Mr. Rivard a letter which can be produced, praying him to make haste and have the matter arranged—that Parliament was going on. Mr. Rivard answered me by a letter which I can produce, which I have not with me here, but which I can produce, begging me to wait a little—that that was going to be done.

By Mr. Taschereau:—

Q. Was this exchange of letters a long time before the second interview?—It was about fifteen days before.

By Judge Loranger:—

Q. At the time of the second interview did you not say, "*Well, we are pushing on bravely this matter of the Judge?*"—No; the only words that I had occasion to use were these: "*Well, my dear Rivard, do you not think that it would have been better that the Judge should have resigned?*" Upon this, he said to me in great anger, "*I will not help you, and I will take the Judge's part.*"

Q. Upon this, did not Mr. Rivard say, "*Yes, you have succeeded in a manner to clothe yourselves with shame?*"—He said more than that to me.

Q. Thereupon did you not reply, "*At all events, we have succeeded in disgracing him, and he must of necessity resign?*"—No, most positively, no. I told him "*that the petition presented to Parliament was of such a nature as always to cast discredit on the Judge's name, and that for that reason Judge Loranger, of whose guilt I was convinced, would have done better to have resigned.*"

Q. Did not the refusal of the Judge to resign very greatly irritate you—to such an extent that, on the 1st of April last, on his return from Ottawa, you met him on the street before Mr. Barthe's house and thrust him aside with your elbow?—It was not the refusal of the Judge which irritated me, but it was the infamous insults which he had hurled forth in the *Minerve*, accusing us of conspiracy, whilst as British subjects we were only taking advantage of our rights. In that article he threatened to prosecute us criminally. Notwithstanding that I was not named in that article, I felt that it was directed against me; and I do not fear to state that I would have horsewhipped the Judge if I had met him at the time.

However it may be, when I met him at Sorel, when the circumstance occurred which is related in the question, it was a question whether he or I should turn aside in order not to pass through a quantity of water; and as in the highway I am the equal of His Honor, and as furthermore, above all, I had been insulted as I stated above, I owed him no politeness and I passed on my way going straight ahead. Now, I may have jostled the Judge while passing, because I did not wish to pass through the water.

Q. On the sixteenth of May, one thousand eight hundred and seventy-six, at Berthier, did you not, about seven o'clock in the evening, publicly insult Judge Loranger by cutting him off from the entrance door of Gagnon's hotel?—No; I recollect perfectly the circumstance. I was conversing with a friend on the steps of Gagnon's hotel. It had a very large door with two great leaves; I took up nearly half of the door, and there remained sufficient space for any one to pass. I was paying no attention to the Judge, when I heard him say something to the effect that I was a blackguard. I cannot state positively that those were the words that he used, but it was something nearly to that effect. Besides, I always understood that the Judge was seeking to have himself insulted by me in order to be able to prosecute me; and it was agreed between Mr. Brousseau and myself to show him all possible respect, in order not to give him that opportunity.

At this juncture, the Judge added that he should be allowed to enter the door. I answered, "*Pass by, there is room for you.*"

Q. You said that the district lost its confidence in the Judge from one thousand eight hundred and sixty-eight to one thousand eight hundred and sixty-nine; will you take communication of the document marked "L," and say whether it was not written and signed by you?—I recognize the document, and it was I who drew it up. The Hon. Mr. Justice Loranger was on the brink of the grave in March, one thousand eight hundred and seventy-one. I ought to remark here that I never had any feeling of hatred against the Judge; I had always been one of the admirers of his talents, but not of his character. The Hon. Judge became convalescent, and went to Europe, where he received marks of esteem from Pope Pius IX.

When he passed through Sorel on his way to Europe, the members of the Bar said: we are going to present an address to the Judge, on his way, as a mark of politeness. To that I made no objection. It may be that I signed that address, but I did not attend at the presentation of it.

When the Judge returned in April, one thousand eight hundred and seventy-two, he had been absent for seven or eight months, which was quite sufficient to make us forget the past; inasmuch as he returned to us in order to resume his functions, we could put aside everything in order to do him an act of politeness, by giving him a welcome, and under the circumstances I do not regret it.

I will add that I did all in my power to prevent the charges from coming here, where they are at the present moment. It will not be believed that it is for our own pleasure that we come before this committee; but I will say that it is necessity that forced us.

Q. It was Mr. Brousseau came, I believe, last session to conduct the matter?—Yes.

Q. Is it not true that you conducted the matter with him, and that correspondence passed between you when he was at Ottawa?—We carried on the business together in common, and day by day I communicated with him by letter.

Q. So that you contributed to the continuation of this matter, that is to say, to the charges brought against Judge Loranger, since their commencement?—I am willing to assume the responsibility of what I have done, but I do not wish to carry another's burthen. I said that I did all that laid in my power to assist, and in the interest of the petitioners I did all that I could to attain the object of the petition, impelled by the sole object of co-operating towards the good administration of justice in the district, and in the interests of the public which include my own.

I will likewise state that it was I who paid all the expenses of Mr. Brousseau, both for travelling and in other ways, with respect to this prosecution. Mr. Brousseau not having the advantage of being rich, and giving his time.

This year I notified the petitioners that I had done my part and that it was necessary that they should do theirs, and at the present time each one contributes towards the cost of this prosecution. I will remark that some of the petitioners have not done so, because they said that they were not in a position to do so.

Q. And since this enquiry was agitated, that is to say, since the Committee went into operation, you have always, in conjunction with Mr. Brousseau and perhaps also

with others, conducted this matter?—There are some of the petitioners who have given their names, and others who have concealed them for personal reasons, that is to say, their names cannot appear, but they proceed with the others.

I have been commissioned specially by the greater number of the petitioners to watch over their interests here and to keep them informed of what is done in the Committee; which I have done.

Q. Did you not contribute towards the drawing up the Bill of Particulars?—Slightly. I was present when the Bill of Particulars was drawn up by the petitioners' attorney and by Mr. Brousseau, and I assisted therein.

Q. In general have you not assisted in the prosecution of these charges since the Committee has been sitting?—I help, and I give my assistance and co-operation, earnestly desiring that it may come to an end.

Q. You have advised the defendant in the cases *Mathieu versus Brousseau*; you have also stated that you had advised him not to take advantage in Court of the insufficiency of the delay given, on the day on which the said cases would be called?—Yes, to make default.

Q. Is not the usual time for taking advantage of the insufficiency of the delay at the *enquête* and hearing on the merits, at the time of the opening of the *enquête* and the hearing?—A pleader is not obliged to state what are his grounds of defence; he takes advantage of everything which can favour his case. I have very often seen no advantage taken of flaws like that one but when in appeal. And in this case the reason of that reservation was that we feared the favouritism shown by the Judge for Mr. Mathieu, as had already happened in cases in which we set forth our grounds of defence, of which the Judge took advantage in order to suggest the mode of procedure to those who pleaded against us.

Q. Am I to understand that the sum of the advice which you had given to Mr. Brousseau was, not to draw the attention of the Court to the insufficiency of the delays for *enquête*, and to invalidate the judgment notwithstanding that insufficiency if it was given against the defendant?—I advised him to make a complete default, which implied perfect silence on his part when the case was called.

We believed then that the adverse party would, according to law, have Mr. Brousseau called, and would put him in default if he did not proceed; but the Judge made haste to render judgment, and they did not even take the precaution to follow the law.

I repeat what I have said in my examination in chief, that it was in order to be able to go into Appeal that I had thus advised Mr. Brousseau, in order that he might take advantage of the irregularities which we had pointed out.

Q. Can you relate what was the exact tenor of the judgment pronounced *vivâ voce* by the Judge on the tenth of February, one thousand eight hundred and seventy-four?—The exact tenor was the granting of the motion of the defendants and the dismissal of that of the plaintiffs. At the moment I did not well understand whom this affected, and it was on that account that I went to look at the record, and it was in that way I made the verifications.

Q. Can you swear that to your knowledge the Judge always went in the morning to the St. Francis Circuit, and always returned from it in the evening, and this, too, from the first of July, one thousand eight hundred and sixty-seven, up to the first of May, one thousand eight hundred and seventy-four?—Yes. Now it may be that sometimes I did not see him leave or arrive thence in the evening; but it was his invariable rule to go in the morning, and as I went there myself I always had knowledge of the fact; and when I did not see him return I saw him at Sorel itself on the evening of the Term.

Q. Then you swear that you saw the Judge going to St. Francis and returning the same day, during that period?—As I had to wait on the Court rather than it should wait on me, I always went the first, and in good enough time. We both of us boarded at the same hotel, the Judge and I; I always saw him arrive, and as for departure, it happened that I was the first to leave, but the Judge, at that time, was ordering his vehicle; in fact we were all preparing to leave.

Q. In fine, you swear then, that you have a personal knowledge of the fact which you have advanced, to wit: that Judge [Loranger left in the morning and returned the same evening of the Term?—Yes. If there are exceptions not within my recollection, they can be only one or two during the period in question; it may be that it did not happen in that way when I did not go there; I failed to attend that Circuit twice.

Q. Do you make the same statement with reference to the Terms of the Court at Berthier?—Yes. I did not go with the Judge, but we also boarded at the same hotel. When I arrived they used to say to me, "*we are expecting the Judge,*" or "*the Judge has just arrived,*" or "*he is going to cross in the canoe,*" and very often I crossed with him. We often, also, returned together.

Q. How many times, to your personal knowledge, did Judge Loranger leave in the morning and return in the evening, for the Berthier Circuit?—It will be understood that this is a question to which it is impossible to reply categorically; I shall only say that it was the greater part of the time, and even almost each time that I went there; we left together and we returned together.

A. GERMAIN.

OTTAWA, 9th March, 1877.

LOUIS FRANÇOIS MARCHAND, residing at Montreal, having been duly sworn, deposeth and saith:—

Q. You are Clerk of the Court of Appeal, at Montreal, and an Advocate?—Yes.

Q. Since what time?—I have performed the duties of Clerk of Appeal since one thousand eight hundred and fifty-nine, but I have only borne the title since the year one thousand eight hundred and sixty-eight. Before that time I acted as Deputy Clerk.

(Objection taken to the hearing of the present witness by the defence. Objection maintained.)

I, the undersigned, stenographer, certify that the foregoing is reproduced from my stenographic notes.

PAUL WIALARD.

G. A. CHAMPAGNE, residing at Joliette, having been duly sworn, deposeth and saith:—

Q. You are an Advocate?—Yes.

Q. Did you practise at Joliette from July, one thousand eight hundred and sixty-seven, up to the end of the year one thousand eight hundred and seventy-four?—Yes.

Q. Did you follow the Montcalm Circuits?—Sometimes.

Q. Did you go to the Montcalm Circuit in November, one thousand eight hundred and sixty-nine?—I cannot say.

Q. Were you acquainted with Mr. De Caussin, clerk, at that time?—Yes.

Q. Do you know that he left, and that it was necessary to replace him?—Yes.

Q. Have you any knowledge that you went to the Montcalm Circuit the first of the Terms following the appointment of his successor?—I cannot state precisely whether I went there or not. Please remind me of some circumstance.

Q. Are you acquainted with Mr. Beauchamp, Mr. De Caussin's successor?—Yes.

Q. Is it to your knowledge that there was a Term in which the Judge did not go to hold the Court?—It did happen that I went to Ste. Julienne for the Circuit, and that there was no Judge there.

Q. Was that between one thousand eight hundred and sixty-seven, and one thousand eight hundred and seventy-four?—I could not swear to it.

Q. From one thousand eight hundred and sixty-seven, to one thousand eight hundred and seventy-four, when you went to Ste. Julienne, was the Court generally held for longer than one hour—when it was presided over by Judge Loranger, I mean?—The Term generally only lasted one day; I know that it may have been prolonged one day more.

Q. Was the roll cleared each time?—I cannot say. As regarded what concerned me, I endeavoured to clear off my portion.

Q. Have you any knowledge that your roll in your own cases was not cleared; and indicate the term or occasion on which such a fact did occur, from one thousand eight hundred and sixty-seven to one thousand eight hundred and seventy-four?—I cannot state exactly a single occurrence of the kind.

Q. It is of importance for me to know this; please bring it to your recollection?—I do not recollect any. As I have told you already, when I pleaded my cases I left immediately afterwards.

Cross-examined:—

Q. On the ninth of September one thousand eight hundred and seventy-two, did not the Judge go to Ste. Julienne to preside over an *enquête* in the case of Payton *versus* Cornellier, which *enquête* did not take place because the parties were not ready to proceed?—Yes; I cannot say whether the two parties were not ready, but I, as attorney for Mr. Payton, was not ready.

Q. There was no *enquête*?—No.

By Mr. Baby:—

Q. Who was the other party; who were the attorneys for Mr. Cornellier?—Messrs. Baby and Olivier.

Cross-examined upon an incidental fact:—

Q. Was your adversary there?—He was not present at the opening of the Court. I went up to the Court; this was at half-past ten o'clock. In going up I met the Judge, to whom I was to have presented a petition for a *mandamus*; the Judge informed me that the Court had adjourned. I begged him to return to Court in order to receive that petition, and he returned with me. It was in the case of *Beaupré versus* the Corporation of the county of Montcalm.

Q. Did that take any time?—No, only the time to make the entry of the petition.

Q. When was the Judge ready to leave?—Between eleven o'clock and noon.

Q. Did he leave on that day?—I cannot say.

G. A. CHAMPAGNE.

OTTAWA, 9th March, 1877.

OTTAWA, 8th March, 1877.

GEORGE HENRY BRAMLEY, residing at Sorel, having been duly sworn, deposeseth and saith:—

Q. You live at Sorel?—Yes.

Q. What is your occupation?—I am a steamboat agent.

Q. You were Harbour Master at Sorel for several years?—During three or four years.

Q. You are the American Consul?—Yes.

Q. When did you cease to be Harbour Master?—Two years ago; after the new Bill.

Have you kept a note for a great many years past of the breaking up of the St. Lawrence?—I have taken notes since eighteen hundred and sixty up to last year, of the breaking up of the St. Lawrence and the Richelieu.

Q. Have you in your possession those notes or a copy of those notes?—Yes.

Q. Be so good as to produce them?—I produce them. This copy of my notes upon the breakings up is marked paper writing "U"; it embraces the breakings up from one thousand eight hundred and sixty, to one thousand eight hundred and seventy-six.

Q. This verification of the breakings up was made at Sorel?—Yes, and entered in a book.

Q. It was upon the breakings up observed at Sorel that you prepared that statement?—Yes.

Q. On the St. Lawrence, from your observations, especially since one thousand eight hundred and sixty-seven, and up to one thousand eight hundred and seventy-four inclusive, have the roads in winter been practicable up to within a few days before the breaking up?—Generally there are three or four (3 or 4) days before the breaking up on which one cannot cross upon the river, but often they cross just one day before the breaking up.

Q. Is the crossing between Sorel and Berthier practicable on the ice several days before the breaking up?—There are some years in which it is good; in others there is water and snow, which render the roads difficult to pass. The ice is still good beneath, but the roads are bad.

Q. During those years when did they stop crossing before the breaking up?—Three or four days before, not more.

Q. What is the distance between Sorel and Three Rivers?—In the winter it is not more than thirteen leagues by crossing the lake, which shortens the distance considerably; and in summer, by land, it is fourteen leagues.

Q. Is one day sufficient to go from Sorel to Three Rivers?—The roads must be very bad to prevent its being done in a day.

Cross-examined :—

Q. With good roads one can go there in a day?—And also with middling roads and a good horse one could reach it in one day.

Q. By leaving in the morning?—Yes, for in leaving in the afternoon it is very different; one cannot get there on the same day.

Q. Supposing there was a storm, would you make no exception?—Yes, there are storms which last two days.

Q. You kept no record about the storms?—Sometimes, but not in an exact manner.

Q. What you call the breaking-up is when the ice leaves before Sorel?—Yes.

Q. You call the breaking-up, also, the jam?—Yes.

Q. The dates which you have taken and marked, are the dates on which the jam gives away?—Yes.

Q. Does it not happen, sometimes, that the jam only passes Sorel two or three days after the ice has commenced to move?—The jam stopped in the Verchères Islands for one day last year.

Q. Then the ice,—the shove,—does not pass on the same day that it commences to move?—No.

Q. Then there are instances in which the jam was a couple of days before it passed Sorel?—That happens very seldom.

Q. Has there been any time on which it took seven or eight days to pass, after the first movement of the ice?—No,—only last year the jam stopped in Verchères Islands for a day and passed down the next day.

Q. On the average, does not the ice take two or three days to leave?—Usually it commences to break up at Longueuil three or four days before arriving at Sorel; and one can cross at Sorel when the jam is sometimes still holding at Verchères, or half-way there.

Q. Has it not occurred during the past ten years, that the crossing from Berthier became bad more than eight days before the ice moved?—That has not happened. The landings are sometimes bad seven or eight days before the ice moves; but the people make landings,—that is a sort of passage across.

Q. When it is very dark, can one with a carter pass easily over those passages?—No, not easily.

G. H. BRAMLEY.

Ottawa, 8th March, 1877.

STATEMENT FILED BY MR. BRAMLEY.

DATES of the breaking up of the Ice in the Rivers Richelieu and St. Lawrence, at Sorel, P.Q., in the following years :

Years.	Richelieu River.	St. Lawrence River.
	Day of Month.	Day of Month.
1860.....	28th March.....	12th April.
1861.....	6th April.....	23rd do
1862.....	18th do	20th do
1863.....	21st do	26th do
1864.....	5th do	16th do
1865.....	31st March.....	9th do
1866.....	8th April.....	20th do
1867.....	9th do	24th do
1868.....	29th March.....	19th do
1869.....	18th April.....	27th do
1870.....	11th do	18th do
1871.....	17th March.....	Not entered; about twenty days later than Richelieu River.
1872.....	20th April.....	1st May.
1873.....	16th do	25th April.
1874.....	15th do	29th do
1875.....	15th do	1st May.
1876.....	14th do	29th April.

OTTAWA, 7th March, 1877.

ALEXIS AUREZ LAFERIERE, residing at Berthier, having been duly sworn, deposeseth and saith :—

I have been an advocate at Berthier for the last eleven years.

Q. Between the 1st July, 1867, and the 31st December, 1874, at what hour did the Judge present himself in order to open the Court at each term?—Generally about 10 or 11 o'clock, except when he came by steamboat, then he used to arrive sooner in the morning.

Q. On the same morning?—Yes.

Q. When did he leave after the close of the term?—Always after the close of the Court, not later. Sometimes the sitting was prolonged, in that case he used to send the crier to ask the captain of the ferryboat to wait for him a little.

Q. Was it the Judge's invariable habit to leave in the evening after the Court, and to arrive in the morning?—I am aware of but one occasion when I met him in the evening at Berthier; there had been a great deal of business at the Court; the advocates had not done speaking when the hour for the boat to start came on; the boat, after waiting, went off before the Judge was ready to cross. During Term time itself, the Judge used to go home to sleep, with a few exceptions; but in winter it was his invariable practice to go home to Sorel to sleep; in summer he sometimes remained.

Q. Are you aware of the changes of Term which took place for Berthier?—There were three changes—one in January, 1868, that is to say, the Term was fixed for the 20th January, by proclamation, a thing which surprised us. Previously we had the Term from the 20th to the 24th February, inclusively.

Q. What happened on the 20th January, 1868 ?

(Objected to by Judge Loranger. Answer admitted by Committee.)

None of us knew there was to be a Term; we were not prepared. When Judge Loranger reached Gagnon's hotel, he sent for the clerk, and had the advocates notified that he wished to see them; to come to his hotel. There we met the Judge. He told us that there was a Term fixed for the 20th by proclamation in the *Official Gazette*; that if we were ready to proceed, he was ready to hear us. Owing to the fact that we were not forewarned, we were not ready, at all events we could only be ready at the end of the Term, but we preferred to have another Term; and then the Judge granted us another term for the 6th of February following. The Judge then said: I need not come back to hold the Court, since there will be no cases to plead. He then ordered the clerk to adjourn from day to day, and on reaching the last day, to adjourn to the 6th February following.

Q. All this occurred at Gagnon's hotel, did it not?—Yes. Then the Judge entered his vehicle and left. No person went to the court-house, not even the clerk.

Q. The clerk was there at Gagnon's hotel, was he not?—Yes.

Q. It was there he received the instructions of the Judge, was it not?—Yes.

Q. You saw the Judge start, did you not?—Yes.

Q. On the 20th, 21st, 22nd, 23rd and 24th January, 1868, was the Court opened under Judge Loranger?—No.

Q. If on any of those days in January the Judge had come himself to open the Court, would you have known of it?—I must have known of it; the Judge would have had to come secretly, a thing I cannot believe.

Q. In whose writing is the entry of the 20th January, 1868—entry of cases Nos. 2,634 and 2,635, Register P.?—In the handwriting of Mr. Emond, late clerk of the Circuit Court for the county of Berthier.

Q. As to the subsequent entries, cases Nos. 2,635, 2,636, 2,637, 2,638, 2,639, up to 2,644, inclusive, in whose writing are they?—In that of Mr. Emond.

Q. Did you attend the adjournments of the Court by the Clerk?—No; no person went there.

Q. I see your name mentioned here as advocate in four cases, numbers 2,635, 2,636, 2,637 and 2,638, and for cases 2,642 and 2,643; does the clerk mention in his register the date of the deferring of these cases?—Yes, always. It was his invariable habit.

Q. In the order in which they followed?—Yes.

Q. What is the distance from Gagnon's hotel to the Court House?—Six or seven arpents.

Q. Is it in the same street? No, but it is quite near.

Q. Have you said that the Judge had stated that he would not come back because it was useless for him to return?—Yes.

Q. Did you say that you had obtained a Term on the sixth of February?—Yes, that Term was held.

Cross-examined:—

Q. Did you not sign the petition marked M, against the Judge?—Yes, but it was not a petition against Judge Loranger, there was nothing in that petition that could injure the Judge, it was to ask for his retirement.

Q. His resignation you mean?—No, I did not take it in that sense.

Q. Since accusations have been made, or since the time of that petition, have you not taken part in the prosecution of those accusations jointly with Mr. Brousseau and Mr. Germain?—No, I have not taken part in it, but I should have been glad if the Judge had been allowed to retire.

Q. On the 16th May, or just before the 16th May, 1868, did you not attend a meeting held on board the steamer at Berthier, at which were present Messrs. Germain, Brousseau, Piché, Nadnais and Biron?—No, I remember having met those gentlemen there; there was a meeting, but I had gone there (on board) to see the persons who were coming from Montreal and to see the newspapers.

Q. Did you see those persons there whom I have just named?—Yes, some of them. I cannot say whether it was on the day you have mentioned to me.

Q. And was the question of the accusations against Judge Loranger discussed there?—The Judge was spoken of without any details being given me.

Q. On the day following the first day of term, was there not an address presented to Judge Loranger by the citizens of Berthier and a certain number of those of Sorel, regretting the accusations which had been made against him? Was it not read in Court, and did not the public, through courtesy, stand up, except Mr. Brousseau and you?

(Objected to on behalf of the petitioners. Question permitted by the Committee.)

A. When that address was presented by certain citizens of Berthier—but as to Sorel I do not know—it was read by an advocate before the opening of the Court, but I cannot say whether it was at that Term. I was seated, and Mr. Brousseau beside me, reading the newspaper; no one stood up; then Judge Loranger stood up when the address was read to him, and the public stood up with the other members of the Bar, except Mr. Brousseau and myself.

Q. Did you, on any occasion whatsoever, hold communication with Messrs. Brousseau and Germain in relation to the accusations and the action now being taken against Judge Loranger?—I have already said that many persons had spoken to me about the matter, and that I had spoken about it to many; it is the general topic of conversation of men acquainted with the matter in the district of Richelieu; some are in favour of it and some are opposed to it. I spoke about it with Mr. Brousseau and Mr. Germain as I did with others.

Q. Have you, prior to this day, informed Mr. Brousseau, Mr. Germain, or Mr. Fontaine, the advocate for the petitioners, of the nature of your evidence?—They asked me whether I could prove such a thing or such another. I answered, yes or no. Mr. Fontaine did not speak to me about it.

Q. On the 20th January, 1868, was there no one but you present with the clerk when you say Judge Loranger gave those orders in relation to adjournments of the Court?—The whole Bar was there, except Mr. Olivier.

Q. Name those who were there?—Mr. Demers, Mr. Tranchemontagne, the clerk and myself, and, of course, the Judge also.

Q. Do you swear that on the 21st, the 22nd, the 23rd and the 24th of January Judge Loranger did not go to Berthier?—Yes; and I have said that if you did come, you came secretly.

Q. What do you call "*secretly*"?—I call "*secretly*," without the knowledge of the Bar, since he (the Judge) had said that he would not come.

Q. Could the Judge have gone there without your having seen him?—Yes.

Q. I stop at Gagnon's hotel, do I not?—Yes.

Q. Do you spend the whole of your days at the hotel?—No, I often go there, in fact very often; but I do not spend my days there.

Q. Do you swear that the Judge never went to Berthier on the day before Term?—I have stated an instance when the Judge crossed over with me. I have already said that, if the Judge had come the day before, I should have known it.

Q. Could the Judge have gone there the day before Term, without your having been aware of it?—Hardly.

Q. Is it possible that the Judge may have crossed in the evening, and gone to the hotel, without your knowledge?—He might have come, but he must have gone back, because he was seen to arrive on the morning of the Court.

Q. Are you aware that the ferry-boat leaves Sorel, for Berthier, at five in the morning?—On two days it leaves at half-past five, and on the other days it leaves at six.

Q. Were you on the wharf on the arrival of the boat, each morning of Term?—No, but I used to ask whether the Judge had come; and if he was come, I hurried to the Court; if not, I did not hurry. It was in that way I knew he came in the morning.

Q. Can you swear that in the course of the period named, Judge Loranger did not often sleep at the hotel?—In Term time I have known it to happen, but I do not say frequently; however, I cannot swear that he never slept there.

Q. You go often—very often—in the day to Gagnon's hotel, do you not?—Every day, during Term, in the morning; sometimes at noon, and in the evening always.

A. A. LAFERRIERE.

OTTAWA, 7th March, 1877.

ALFRED COURTU, residing at Berthier, having been duly sworn, deposeseth and saith:

I reside at Berthier; I have been twenty years a bailiff, and ceased to act one year ago.

Q. What do you do now?—I am an inspector of weights and measures, and have been for the last three years a member of the town council.

Q. From July, 1867, to the 31st December, 1874, did you reside in the town of Berthier, and act as a bailiff?—I have always resided at Berthier since I was born.

Q. Do you live near the Court House?—At five or six arpents from it.

Q. On Term days, did you hold yourself at the disposal of the advocates, in your capacity of a bailiff? Did you follow the Court?—Regularly, because I was a collecting agent, and had, in consequence, many collections to make, suits to get instituted, and judgments to get out.

Q. During the period indicated, did you remark that the Judge used to arrive at Berthier and leave it again, on the same day of the Terms of the Court?—To the best of my knowledge I saw that the Judge always arrived on the morning of the Court; there were, perhaps, some exceptions, but generally he arrived in the morning and left in the evening, to go and sleep in Sorel, whether he crossed with the boat in summer, or came with his vehicle in winter. In summer he sometimes came with a skiff, and sometimes he arrived at eleven o'clock.

Q. Is it within your knowledge that during that period, from 1867 to 1874, the Judge arrived the day before Term and went away again on the day after Term, after the adjournment?—It may have happened that he did arrive on the day before and leave on the day after, the closing of the Court, but it did not come to my knowledge. As I have stated, I think he came a couple of times on the day before; I have a particular fact which makes me say that he came from Sorel with us one evening, in the steamboat.

Q. Apart from those two instances, he came in the morning and left in the evening to sleep at Sorel, did he not?—Nearly every evening.

Q. Did you know of the change in the Terms of the Circuit Court for the Berthier Circuit, by a proclamation dated 18th January, 1868?—Yes, I remember it.

Q. Did you know of the change which was made by that proclamation?—Yes, I think the Term was changed to the month of February; I am not very positive; I think it was to begin on the 20th or 21st January, and I think there was a change there.

By the Chairman:—

Q. Was the Term advanced or retarded?—I cannot say.

Q. Did you see that proclamation yourself?—No.

Q. You do not know whether the proclamation fixed the Term for February, or left it in January?—I cannot say whether it retarded or advanced the Term in the month of January.

Q. Now, the proclamation in the *Official Gazette*, fixed the Sorel Term from the 20th to the 24th of January and May in each year, and from the 21st to the 25th of September; do you know anything about the Term which was to be held under that proclamation from the 20th to the 24th January?—To the best of my knowledge there was no Court.

Q. What occurred on the morning of term?—I do not know what happened amongst the members of the Bar ; I met Mr. Emond, when I was going to the Court ; he told me there was no Court ; I did not go any further towards the Court ; I went to the hotel where the Judge had put-up ; and, on the following day and the day after that, I have no knowledge of any Court being held ; on the two following days I went to the Court House having business at the Registry Office, and I saw Mr. Emond, who told me he was going to adjourn the Court.

Q. Did you go on each one of those days : the 2nd, 3rd and 4th of February, to the Court ?

(Objected to by Judge Loranger. Question allowed by the Committee.)

A. I went there and I did not see the Judge.

Q. Had the Judge remained in the village?—He may have been there, but I did not see him. When the Judge is in the village it is known ; it is a subject of general remark.

Q. Were you at the opening of the Court?—I was there ; the clerk was adjourning the Court to the following day.

Q. Judge Loranger was not there, was he?—Once, on the second day after, I went up to the Court-room on leaving the Registry Office, and I saw Mr. Emond, who was adjourning the Court to the following day.

By Mr. Jetté :—

Q. Then you were present only on one day?—On the first day I was informed by Mr. Emond, whom I met when going there, and on the third day I was there.

Cross-examined :—

Q. Are you not one of the signers of the first petition, which was rejected?—Yes.

Q. You have stated that Mr. Emond had told you that I had arrived?—Pardon me, I said that I had been told that, at the hotel where you were in the habit of stopping.

Q. You did not know the period of the Terms before the proclamation?—I knew they had been changed, but without knowing to what date it was.

Q. Can you swear that on the 20th, 21st, 22nd, and 23rd, the Judge was not at the Court?—I swear positively that, on the day on which I went to the Court, the Judge was not there.

Q. Can you swear that, on the first day, the Judge did not go to Berthier?—It may be that the Judge may have been there, and that I did not see him, but it would be surprising.

Q. And on the other days ; can you swear that on the 22nd, the 23rd, the 24th, I was not there?—I cannot swear that.

By the Chairman :—

Q. Who was the crier?—Jear Baptist Giroux.

Q. Is he still at Berthier?—Yes.

Re-examined.

Q. Was Giroux there when you saw the clerk adjourn the Court?—I did not see him, I did not take notice.

By the Chairman :—

Q. Did Mr. Emond tell you the reason why there was no Court?—He told me the advocates were not ready, and there was some doubt about the proclamation.

8th March.

Re-cross-examined.

¹ *Q.* You are one of the defendants in the case of *Loranger vs. Biron et al*, are you not?—Yes.

Q. It was you who went to ask Mr. Tellier for a report of the days of Court held by Judge Loranger, which report is produced before the Committee, was it not?—Another had undertaken, before me, to see Mr. Tellier about that report.

Q. Who was that?—Mr. Demers, an advocate; I received a letter also from Montreal, from Mr. Piché, asking why Mr. Demers did not send the report. I went to see him, and asked him for the report. He told me he had asked Mr. Tellier's deputy for it, and the latter told him he would prepare it. I went there and saw the deputy, who told me that Mr. Tellier had opposed his giving the table as it was; that he preferred seeing himself whether the table was correct. Then I asked Mr. Tellier to give it to me, with his certificate at foot. He answered me that he would charge something for the work; I asked him how much, and he said ten cents per hundred words. Thereupon I told him to prepare it.

Q. Was that all that took place?—Yes.

Q. Who paid the clerk's fee?—I thought I had paid it, but Mr. Tellier has told me that I did not pay it. It was I who was responsible for the payment.

Q. What object had you in procuring that table?—In order to obtain for us the days on which Judge Loranger sat.

Q. At what time was that?—It was last winter, I think, at the beginning of the session, or a little before the session; I cannot say precisely at what time; it had been spoken of at a meeting long before.

Q. Of whom was that meeting composed?—It was composed of all the persons already named who attended the meeting on board the steamboat.

Q. At what time did that meeting on the steamboat take place?—In the autumn of 1875.

Q. Was it not rather on the 16th of May last?—No; I do not remember that it was at that date.

Q. Who were the persons who were there?—Messrs. Biron, Vadnais, Germain, Brousseau, Demers, and myself. There was, perhaps, some one else there, but I do not remember.

Q. Was Mr. Piché there?—I am not positive in saying that he was there or that he was not.

Q. What was the object of that meeting?—The object was to come to an understanding as to the manner in which we should proceed against the Judge.

Q. Had you signed the petition at that time?—I do not remember.

Q. Was there not a meeting of the same persons held on the sixteenth of May last, the evening before the Berthier Circuit, on board the steamboat?—In May, one thousand eight hundred and seventy-six,—not to my knowledge.

Q. Did you attend a meeting at which Mr. Laferrière was present?—Mr. Laferrière came afterwards; it was I myself who went to look for him for other business.

Q. You signed the petition which was brought to you?—Yes.

Q. Where did they make you sign it?—They got me to sign it at my own house.

Q. Who was it who brought that petition to you to sign?

(Objection taken to this question by the Attorney for the petitioners. Objection maintained by the Committee.)

ALFRED COUTU.

OTTAWA, 10th March, 1877.

OTTAWA, 7th March, 1877.

PIERRE TELLIER, residing at Berthier, having been duly sworn, deposeseth and saith:

Q. What is your profession?—Clerk of the Circuit Court of Berthier and Notary.

Q. How long have you been Clerk?—Since the month of May, one thousand eight hundred and seventy-five.

Q. Whom did you replace?—Mr. Charles Emond, deceased.

Q. As Clerk of that Court you are the guardian of the archives of the Circuit Court of the County of Berthier?—Yes; I produce all the books, registers, rolls of cases, and I have made a statement to the best of my knowledge of all the Court days held by the Hon. Mr. Justice Loranger, from July, one thousand eight hundred and sixty-seven, up to May one thousand eight hundred and seventy-four, inclusive.

I likewise produce this statement, marked exhibit "O."

To prepare that statement I based it upon the entry books, rolls of cases and registers of the judgments of the Circuit Court. I have verified it Term by Term, as well special Terms as adjourned Terms, to ascertain the Court days held by Mr. Justice Loranger.

The registers which I produce are the only ones which are made use of for the Court in our district. I have examined all these registers in order to verify the statement which I produce this day, exhibit "O."

From one thousand eight hundred and sixty-seven to one thousand eight hundred and seventy-four there were two rolls, one of which was used for the non-appealable cases fixed for *enquête* and hearing, and the other for the appealable cases.

In looking over the roll of cases during that period, I find some of the adjournments of the Court entered in the entry book, and others in the roll of cases.

The holding of the Term of the twentieth of January is recorded in the book of entries, intitled "*Entry Book of Appealable and non-Appealable cases.*"

Q. Here are Nos. 2,634 and 2,635: have you any knowledge of that Term?—No; this book is the only entry book of cases which existed at that date, there were others before it and others after it. This one is volume No. 2; I am acquainted with the handwriting of my predecessor, Mr. Emond.

Q. Are all the entries in the cases No. 2,634 and 2,635 in the handwriting of Mr. Emond?—To the best of my knowledge these entries are in the handwriting of Mr. Emond. I produce volume No. 2, which is marked exhibit "P." I also produce all the volumes, registers and entry books in my possession as Clerk of the Circuit Court of Berthier. (The list of these registers is marked, *Paper writing*—No number.)

The examination of the witness is adjourned until to-morrow, eighth of March.

8th March, 1877.

The examination of the witness is resumed:

Q. I show you a *fac simile* of the entries made in the entry book of the Superior Court for the twentieth of January, one thousand eight hundred and sixty-eight, please examine it?—Yes; I remark that there was a writ issued on the 21st January, and returnable on the 24th January.

Q. What is the distance between Berthier and Joliette?—Six leagues, or six leagues and a half, from what I have heard.

Cross-examined:—

Q. Are you the bearer of a record laid before the Circuit Court, to wit: Turcotte versus Baron dit Lafraniere?—Yes.

Q. Please look at the fourth and fifth of February and tell us if there is anything which gives evidence of the presence of the Judge at Berthier on those days?—By the roll of cases and the books there is nothing which mentions that the Judge was present on the fourth and fifth of February, one thousand eight hundred and seventy, but by this record it appears that he held an *enquête* term specially for that case on those two days, and likewise on the nineteenth of May.

Q. Please go through the whole record and call out the reports of evidence in the order in which they are placed?—In the year one thousand eight hundred and seventy; present the Honourable Mr. Justice——(it does not state what Judge) this fourth day of February, appeared Pierre Vadenais.

The deposition is closed and sworn to in open Court. It is signed, T. J. J. Loranger; here is another in which the evidence was received and acknowledged

before a Commissioner. The deposition commences in this way : Present: The Honourable Mr. Justice T. J. J. Loranger, in the year one thousand eight hundred and seventy, the fourth day of February, the witness *Jean Chenevert*. This deposition states that it was closed, sworn to, taken and acknowledged, the month, day and year above mentioned, before me, Commissioner for the Superior Court, or rather sworn to and acknowledged only on this the sixth day of February, one thousand eight hundred and seventy-one, at Berthier. Signed, *François Xavier Lafond*. The *causette* had been commenced on the fourth and closed on the sixth.

Also, the year one thousand eight hundred and seventy; present the Honourable Mr. Justice Loranger, the fourth of February; witness, *Antoine Chenevert*. Sworn in open Court the day, month and year aforesaid. T. J. J. Loranger, Superior Court.

Present: The Honourable Mr. Justice Loranger, the year one thousand eight hundred and seventy, the fourth day of February. *Joseph Dubois*, sworn, taken and acknowledged before me, the day, month and year aforesaid. Signed, T. J. J. Loranger, J. S. C.

Present: The Honourable Mr. Justice Loranger, the year one thousand eight hundred and seventy, the fourth day of February. *André Turcott*, witness, sworn, taken and acknowledged before me, the day, month and year aforesaid. Signed, T. J. J. Loranger.

Present: The Honourable Mr. Justice Loranger. *Etienne Charbonneau*, fifth February, 1871, sworn, taken and acknowledged before me. Signed, T. J. J. Loranger.

Present: The Honourable Mr. Justice Loranger, the year of Our Lord one thousand eight hundred and seventy, the fifth day of February. The witness, *Denis Fafard*, sworn at Berthier, before me, Commissioner for the Superior Court (or rather) sworn and acknowledged only on this day, sixth of February, one thousand eight hundred and seventy-one. Signed, *Lafond*. Filed the fifth of February, one thousand eight hundred and seventy.

Present: The Honourable Mr. Justice Loranger; nineteenth of May, one thousand eight hundred and seventy. Witness, *Narcisse Dubois*, sworn, taken and acknowledged this twentieth day of February, one thousand eight hundred and seventy, at Berthier, before me, Commissioner of the Superior Court, with the consent of the parties in the case, (or rather) sworn and acknowledged before me, the undersigned Commissioner, by the said *Dubois*, on this sixth day of February, one thousand eight hundred and seventy-one. Signed, *Lafond*.

In the year one thousand eight hundred and seventy-one, No. 2,063, *Pierre Turcott versus Amable Baron Lafrenière*; note of evidence, plaintiff's proof: *Amable Baron Lafrenière*, gentleman, of the Parish of St. Justine, in the District of Three Rivers, witness, sworn; taken and acknowledged in open Court the fourth of February, one thousand eight hundred and seventy. T. J. J. Loranger, J. S. C.

The heading of the foregoing deposition is written by Judge Loranger himself and the remainder by the Writing Clerk.

Present: The Honourable Mr. Justice T. J. J. Loranger; the year one thousand eight hundred and seventy, the nineteenth day of May, *Jean Baptiste Lavallée*, witness; sworn, taken and acknowledged the twentieth day of May, at Berthier, before me Commissioner for the Court, or rather sworn and acknowledged only this day, the sixth day of February, one thousand eight hundred and seventy one. F. X. *Lafond*, Commissioner of the Superior Court.

Present: The Honourable Mr. Justice Loranger, the third day of February, one thousand, eight hundred and seventy one, *Rémi Charbonneau*, witness.—There is no recognizance of his written deposition.

Present: The Honourable T. J. J. Loranger, J. S. C., the third day of February, in the year of our Lord one thousand eight hundred and seventy-one. Witness: *Pierre Tellier* sworn; taken and acknowledged before me, Commissioner of the Superior Court, with the consent of the parties at Berthier, this third day of February, one thousand eight hundred and seventy-one. Signed, F. X. *Lafond*, Commissioner above mentioned.

Present: The Honourable T. J. J. Loranger, J. S. C., this twenty-fifth day of January, one thousand eight hundred and seventy-one. Witness: *Joseph Frappier*, sworn, taken and acknowledged before me, Commissioner of the Superior Court, with the consent of the plaintiff and defendant, at Berthier, this twenty-fifth day of January, one thousand eight hundred and seventy-one. F. X. Lafond.

Present: The Honourable Justice Loranger, J. S. C., this twenty-fifth day of January, in the year of our Lord one thousand eight hundred and seventy-one. Witness: *François Xavier Desroches*, mason; sworn, taken and acknowledged before me, Commissioner of the Superior Court, by the consent of the plaintiff and defendant, at Berthier, this twenty-fifth day of January, one thousand eight hundred and seventy-one; or rather sworn only on the second day of February, in the year above-mentioned. F. X. Lafond.

Present: The Honourable (no name), J.S.C., the twenty-fifth day of January, one thousand eight hundred and seventy-one; appeared *Théophile Chenevert*; sworn, taken and acknowledged before me, Commissioner of the Superior Court, by the consent of the plaintiff and defendant, at Berthier, this twenty-fifth day of January, one thousand eight hundred and seventy-one, or rather sworn and acknowledged before me, as aforesaid, this sixth day of the month of February, one thousand eight hundred and seventy-one. F. X. Lafond.

Present: The Honourable (no name), J. S. C., the twenty-fifth day of January, in the year of our Lord one thousand eight hundred and seventy-one. Witness, *Louis Cornellier dit Grand Champ*, sworn, taken and acknowledged before me, Commissioner of the Superior Court, by the consent of the plaintiff and defendant, at Berthier, this twenty-fifth day of January, one thousand eight hundred and seventy-one, or rather sworn and acknowledged before me, only on this sixth day of February, one thousand eight hundred and seventy-one.

Present: The Honourable (no name), J. S. C., the twenty-sixth day of January, one thousand eight hundred and seventy-one. Witness, *Joseph Fournier*, sworn; taken and acknowledged before me, Commissioner of the Superior Court, by the consent of the parties, at Berthier, this twenty-sixth day of January, in the year one thousand eight hundred and seventy-one. F. X. Lafond, Commissioner above mentioned.

Present: The Honourable (no name), J. S. C., the twenty-sixth day of January, one thousand eight hundred and seventy-one. Witness, *Norbert Montfils*, gentleman, of the town of Berthier, sworn, taken and acknowledged before me, Commissioner of the Superior Court, by the consent of the plaintiff and defendant, at Berthier, this twenty-sixth day of January, in the year one thousand eight hundred and seventy-one. F. X. Lafond.

Present: The Honourable Mr. Justice T. J. J. Loranger, J. S. C., the first day of February, one thousand eight hundred and seventy-one. Witness, *Cyrille Chaput*, farmer; sworn, taken and acknowledged before me, Commissioner of the Superior Court, by the consent of the plaintiff and defendant, at Berthier, the first day of February, one thousand eight hundred and seventy-one. F. X. Lafond.

Present: The Honourable Mr. Justice T. J. J. Loranger, J. S. C., this first day of February, one thousand eight hundred and seventy-one. Witness, *Louis Frappier*, joiner; sworn, taken and acknowledged before me, a Commissioner of the Superior Court, by the consent of the plaintiff and defendant, at Berthier, this first day of February, one thousand eight hundred and seventy-one. Lafond.

Q. In whose handwriting are the greater number of those depositions?—I think that they are in the handwriting of Mr. Alphonse Farland. The deposition of Antoine Chenevert is, I think, in the handwriting of Mr. Emond.

Q. At all events, they are filed in the case and initialled by the clerk Emond?—Yes.

Q. Mr. Tellier, you cannot certify that these books are exact and complete as regards that portion with which Mr. Emond had to do?—I cannot certify to that; I took them as they were, and I cannot certify that there is no error.

Q. Do you find in the registers any orders fixing all the special terms which you have mentioned in your statement?—No, there are special terms mentioned in my

statement, and by my registers I find nothing appointing them; I can give an account of them sometimes by means of my entry books, rolls of cases and books of Judgment; it is for that reason that I brought them all with me.

Q. Does it not sometimes happen that it does not appear from the records that the Judge has held a special Term?—Yesterday they sent me a record from which I saw that the Judge sat on two or three days which did not appear by the books, and which appear on this record which I now have before me.

Q. Have you any personal knowledge of that Term; did the Judge sit?—Yes, he sat; I saw him sit; it was in the case of Baron Lafrenière; it was on the first and second days of the *enquête* that I saw him sit.

Q. You had already furnished a statement which was produced in the correspondence of Mr. Latour, which is now before the Committee?—Yes, in the autumn of one thousand eight hundred and seventy-five, at the request of Mr. Alfred Coutu, a witness heard before the Committee.

Q. What motive did Mr. Coutu give when asking for that return?

(Objected to by the attorney for the petitioners. Objection maintained, reserving the right to hear Mr. Coutu on the point, and then to examine this witness on the same point.)

Re-examined:

Q. You stated that you have personal knowledge of the presence of Judge Loranger when the depositions were taken in the case of Turcott *versus* Baron Lafrenière, on the fourth and fifth of February, one thousand eight hundred and seventy?—Yes.

Q. Did you see him on the two days, the fourth and the fifth?—Yes.

Q. Was he on the Bench?—He was in the Hall or Judge's Chamber, next to the Registry Office in the Court House.

Q. Did you see the Judge on the 19th of May?—No.

Q. Which are the depositions which cause you to believe that the Judge was there on the 19th of May?—I told you that I did not know whether the Judge was there on the 19th of May.

Q. You have spoken of depositions which were taken on the 19th of May; will you show them to us?—Here; witness, J. B. Lavalée.

Q. By whom was that deposition sworn?—By Mr. F. X. Lafond, the Commissioner of the Superior Court.

Q. Is there at that date, the 19th of May, any deposition which asserts that the swearing was taken before Judge Loranger?—I must go through the whole of the record.

Q. Well, take your time and show us a single one which was sworn before the Judge. Let it be well understood that I speak of the witnesses who were examined on the 19th May?

(The witness examines the Record.)

A. I do not see any. I believe that upon the roll of cases one can see that there was a day fixed for *enquête* and final hearing, the 19th of May.

Q. Now, please examine, and tell us which are the depositions in the record Turcott *versus* Baron Lafrenière, which make mention of the presence of the Judge, and which were sworn by others than by him?

(The witness examines the Record.)

A. Jean Chenevert, Denis Fafard, Narcisse Dubois, Jean Baptiste Lavalée, Marcel Deschène, Pierre Tellier, Joseph Frappier, F. X. Desroches, Theophile Chenevert, Louis Cornéliier dit Grand-Champ, Joseph Fournier, Norbert Montfils, Cyrille Chaput, Louis Frappier.

Q. Will you give the names of the witnesses whose depositions were taken before the Judge on the fourth and fifth of February, one thousand eight hundred and seventy?

(The witness examines the Record.)

A. Pierre Vadenais on the fourth; Antoine Chenevert, on the fourth; Joseph Dubois on the fourth; André Turcotte on the fourth; Etienne Charbonneau on the fifth, and Amable Baron Lefrenière, on the fourth.

Q. Is there in that record any consent by the attorneys to proceed to *enquête* out of term or otherwise?—There is a consent of the parties dated sixth of February, one thousand eight hundred and seventy-one, for certain witnesses brought forward by the defendant and mentioned in the said consent.

Q. Does it happen at any time that when the parties consent to proceed out of the terms of the Court, and do proceed, the depositions are placed before the Judge when he sits in term, in order that he may sign them?—Not since I have been clerk.

Q. There are forms at the clerk's office which bear the heading of the Judge; I mean to say, printed forms; at other times also the heading is written out at length?—There are headings which have in them "*the Honourable Mr. Justice,*" and the name is filled in afterwards; but there are depositions which are entirely written with the pen, the heading and the body of the deposition, and I have remarked in this record some of that kind.

Q. Have you been able to ascertain whether there are other records than this one which show the same thing, that is to say, the holding of Terms or adjournment of Court not mentioned in the register and in the rolls of the Court?

(Objected to by Judge Loranger. Question allowed.)

A. I have not looked; it may be that there are some, but I do not know them.

Q. You said that the books, as well the entry books as the judgment books, do not always record all the special Terms which have been held, nor the adjournments?—Yes; sometimes they are ascertained by the register of judgments.

Q. Can you ascertain the adjournments when they are not mentioned in your register?—Yes; if they proceeded to *enquête*; but if the Court did not sit, and there were only judgments to render, it would be very difficult to establish the presence of the Judge.

P. TELLIER.

OTTAWA, 12th March, 1877.

TABLE—EXHIBIT "V."

<p>20th January, 1868.</p> <p>Present:</p> <p>The Honourable T. J. J. Loranger, J.S.C.</p> <p>The Court adjourned until to-morrow the 21st January, 1868, at 10 o'clock, A.M.</p>					
<p>21st January, 1868.</p> <p>Present:</p> <p>The Honourable T. J. J. Loranger, J.S.C.</p> <p>The Court adjourned until to-morrow the 22nd January, 1868, at 10 o'clock, A.M.</p>					
<p>22nd January, 1868.</p> <p>Present:</p> <p>The Honourable T. J. J. Loranger, J.S.C.</p> <p>The Court adjourned until to-morrow the 23rd January, 1868, at 10 o'clock, A.M.</p>					
<p>The Honourable T. J. J. Loranger, J.S.C.</p> <p>The Court adjourned until to-morrow the 23rd January, 1868, at 10 o'clock, A.M.</p>					
<p>24th January, 1868. Present: The Honourable T. J. J. Loranger, J.S.C. The Court adjourned until to-morrow, at 10 o'clock, A.M.</p>					
<p>25th January, 1868. Present: The Honourable T. J. J. Loranger, J.S.C. The Court adjourned to the 6th of February, 1868, at 10 o'clock in the morning.</p>					
<p>Dame Catherine Giroux, widow of the late John Morin, vs. François Beauceage, Defendant.</p>			<p>Issued 21st Jan-uary, 1868.</p>	<p>Plaintiff, vs. Defendant.</p>	<p>Return filed the 21st Jan., 1868, with declaration thereunto annexed.</p>
<p>No. 2635...</p>			<p>Issued 21st Jan-uary, 1868.</p>	<p>Plaintiff, vs. Defendant.</p>	<p>£ 3 3 1/4</p>
<p>No. 2636...</p>			<p>Issued 21st Jan-uary, 1868.</p>	<p>Plaintiff, vs. Defendant.</p>	<p>Return filed the 21st Jan., 1868, with declaration thereunto annexed.</p>

No. 2637...	Joseph Prosper Laundry, vs. Louis Tellier,	Plaintiff, Defendant.	Issued 21st January, 1868.	Returnable 28th of January, 1868.	Mr. Laferrière and Messrs. Mousseau and Demers.	£ 4 6 10 { Return filed the 28th January, 1868, with declaration and account thereunto annexed; the 29th Messrs. Mousseau & Co. file an appearance for the Defendant.
No. 2638...	The same, vs. Dieudonné Delorme,	Plaintiff, Defendant.	Issued 21st January, 1868.	Returnable 30th 28th January, 1868.	Mr. Laferrière.....	\$5 26.—Return filed 30th of January, 1868, with declaration thereunto annexed.
No. 2639...	Issie Fauteux, Esq., vs. Ambroise Coutu,	Plaintiff, Defendant.	Issued 22nd January, 1868.	Returnable 3rd February, 1868. July,	Messrs. Mousseau & Demers.	\$21 30.

True fac simile extract from the Entry Book of cases of the Circuit Court of the County of Berthier.

P. TELLIER, C.C.C.

OTTAWA 8th March, 1877.

"O."

Table forming part of the evidence of Mr. Tellier, to which he refers by the letter "O,"

I, the undersigned, Pierre Tellier, Clerk of the Circuit Court for the County of Berthier, certify that in accordance with all the registers of the said Court, of which I am the custodian, the only days of Court held by Judge Loranger from July, 1867, up to May, 1874, inclusive, are the following :

1867. October Term :

The 24, 25, 26, 28, 31..... 5 days.

1868. January Term :

The 20, 21, 22, 23, 24..... 5 "

The Court was not held, but there are adjournments from day to day in the entry book of cases. Those adjournments are in the handwriting of the late Charles Emond, then clerk of the said Circuit Court.

And the Court was adjourned to the 6th February, 1868.

1868. February adjourned Term :

The 6, 7, 8..... 3 days.

" Another extra Term in February :

The 26, 27..... 2 "

" May Term :

The 20, 22, 23..... 3 "

" September Term :

The 21, 22, 23, 24, 25, 26..... 6 "

" Adjourned Term of October :

The 8 (rendering of judgments)..... 1 "

1869. January Term :

The 20, 21, 22, 23, 25..... 5 "

" Adjourned Term of February :

The 8 (rendering of judgment)..... 1 "

" May Term :

The 20, 21, 22..... 3 "

" September Term :

The 21, 22, 23, 25..... 4 "

1870. January Term :

The 20, 21, 22, 24, 25..... 5 "

" May Term :

The 20, 21..... 2 "

" June Term (adjournment) :

The 10, 11..... 2 "

" September Term :

The 21, 22, 23, 24..... 4 "

" October Term (adjournment) :

The 7 (for judgments)..... 1 "

1871. January Term :

The 20, 21, 23, 24..... 4 "

1871.	February Term (adjournment) :	
	The 6, 7.....	2 days.
	Another adjournment in February :	
	The 27.....	1 “
1872.	May Term :	
	The 20, 21, 22, 23.....	4 “
	Another Term in May (adjournment) :	
	The 31.....	1 “
	September Term :	
	The 21, 23, 24.....	3 “
	Another Term (adjournment) :	
	The 28.....	1 “
1873	January Term :	
	The 20, 21, 22, 23, 25.....	5 “
	May Term :	
	The 20, 21, 23.....	3 “
	July Term (adjournment) :	
	The 9.....	1 “
	September Term :	
	The 22, 23, 24.....	3 “
	Another Term in September (adjournment) :	
	The 27.....	1 “
	October Term (adjournment) :	
	The 25 (rendering of judgments).....	1 “
1874.	February Term :	
	The 17, 19.....	2 “
	May Term :	
	The 18, 19.....	2 “
		85 days.

OTTAWA, 7th March, 1877.

OTTAWA, 7th March, 1877.

MR. JOSEPH BEAUCHAMP of Ste. Julienne, having been duly sworn, deposeth and saith: I reside at Ste. Julienne, I am a Notary, and Clerk of the Circuit Court of the County Montcalm.

Q. Since when?—Since November, one thousand eight hundred and sixty-nine, but I cannot state precisely what is the exact date of my appointment. I believe that the Order in Council issued in October, but I was only appointed in November, one thousand eight hundred and sixty-nine. I received a confidential note about the twenty-eighth or thirtieth of October, informing me that the Executive had granted the request which I had made, to be appointed clerk. It was a letter from one of the Ministers which announced that to me.

Q. Were you acquainted with your predecessor, Mr. de Caussin?—I only met him once at L'Assomption. I had just come over from the United States when I was appointed clerk.

Q. Had he left Ste. Julienne before your appointment?—Yes, he had gone off by stealth about the beginning of September.

Q. As soon as you received information of your appointment you put yourself in possession of the clerk's office?—I put myself in possession of all that I could find at the time, in a room next to the Registry Office.

Q. Was it there that the office was kept?—Usually the books remained at the private residence of the clerk. I took possession of the books,—of those which I found. I was not in possession of the whole until about the month of February, one thousand eight hundred and seventy, because the books of the secretary of the county, and those of the clerk were kept in the same room, and the secretary of the county had taken possession of several books thinking that they belonged to him; subsequently he gave up to me those which belonged to the clerk's office.

Q. About the end of October had you the entry book, the last one?—Yes.

Q. Had you the records?—I cannot say whether I had them all.

Q. At any rate you had the entry book for that time?—Yes.

Q. Had you the entry book of cases, and the roll for fixing the cases for *enquête* and hearing at that time? Were you in possession of them?—I see that a roll for inscription had never been kept, and that the entry book was used as a roll of cases.

Q. Please produce that which was in use and of which you took possession?—I produce it; it is marked exhibit No. 4, *entry book of cases*.

Q. Now, was there a Term appointed and held at Ste. Julienne from the first to the fifth November, one thousand eight hundred and sixty-nine?—Yes.

Q. Was that term presided over by the Honourable Mr. Justice Loranger?—I do not recollect having seen any Judge preside over the Court on that day; I was not clerk, or at least, had no right to act as such; there is no circumstance which recalls to me that there was such a Term; from the books it would appear that there was such a Term, but such is not my belief; I can not swear that there was no Judge in the village; it is possible that one might have come, and that I did not see him.

Q. Did you see Judge Loranger on any day of that Term?—I did not see him.

Q. Were you ready to hold the Court, Mr. Beauchamp?—No.

Q. Were you informed that the Judge would or would not come?—I was never informed of it officially, some person may have told me so, but I was not informed of it by the Judge.

Q. Had you any communication with Judge Loranger in the matter of your appointment, or of the holding of that November Term?—By no means.

Q. Where were the Circuit sessions held?—At the Court House.

Q. Did you keep your office there at the end of October?—Yes, at that time I was Deputy-Registrar. I kept my office as Notary and as Deputy-Registrar in the Registry office. The clerk's office was next to the Registry office; the Registrar kept the key.

Q. Was it known in the village that you were clerk?—I think that only the Registrar and my partner, Mr. Dufresne, knew it, because I had never communicated to any body the confidential letter which the Minister had written to me.

Q. Please state in whose handwriting is the heading: *November Term, one thousand eight hundred and sixty-nine*, in Book No. 4, filed this day as an exhibit?—In that of M. de Caussin, my predecessor.

Q. Is the case the same for all that follows?—With the exception of what is in the margin, where there is also some of my writing—there is the Judge's writing, M. de Caussin's and mine.

By Mr. Jetté:—

Q. When you say margin, you mean to say the last column?—Yes. The entry made by the Honourable Mr. Justice Loranger below one thousand eight hundred and sixty-nine. *June twenty-first*,—was certainly not made in the November Term, one thousand eight hundred and sixty-nine.

Q. When was it made?—In the term of the February following.

Q. In whose handwriting?—In that of Judge Loranger. Mr. de Caussin had

established the custom in the clerk's office, from the time of his predecessor, of preparing in advance the rolls for the Terms in which the cases for such space of time were entered; a custom which has been followed ever since.

Q. On the day before the 1st November, or on the 1st, the 2nd or 3rd, did you learn that a Judge had arrived in the village?—I did not hear of it, it was not spoken of.

Q. Now, did you prepare a statement from the books, and from memory showing the number of days Judge Loranger held Court in your district?—I think I gave a statement about the 28th May, 1874, to Mr. Latour. As to that statement, it is not necessary that the original be shown to me in order to say that it may contain errors; the thing was drawn up hastily in the space of a quarter of an hour. I will produce if I am permitted to affix my signature to it, the statement marked E of the documents produced by the Under-Secretary of State, declaring that it differs from the original from which it appears to have been copied. That copy is the only one which is exact, I now produce it as exhibit T, and I declare, after having examined it, that it appears to me conformable to the documents produced under the letter E, the table of the Terms of the Court presided over by Judge Loranger, from the 1st July, 1867, to the 31st December, 1874, which statement is the one I prepared yesterday from my books, registers, rolls of cases, &c.

Q. Is that Statement exact, yes or no?—It is conformable to the other statement which is exact.

Q. You made, I think an addition, which you afterwards struck out?—Yes; because it was Judge Torrence who sat.

Q. You had furnished a statement of those days of Court held by Judge Loranger, previously, had you not?—Yes.

Q. Did you find many errors in that statement; how many errors did you find?—I found that on the 1st February, 1869, I had declared the absence of Judge Loranger, whereas by the register of non-appealable cases, I found that he was present.

Q. Is that the only error you found?—Yes.

(Adjourned to 8th March, 1877.)

OTTAWA, 8th March, 1877.

Examination continued.

Q. What is the distance from Joliette to St. Julienne?—Six leagues.

Cross-examined:—

Q. Can you affirm the correctness of the registers kept before your tenure of office by your predecessor?—No; I cannot.

Q. Thus, might there not be more days of Court than there are mentioned in that register?—The thing is more than possible, because in almost every case it is only the Term days that are marked in the books; in fact, I think that the judgments are also entered in the book at the date of the Term, though rendered sometimes at another date, out of Term.

Q. Did you not notice that the books were in a very disorderly condition, especially during the time of Mr. Dérivères Beaubien, about 1867 or 1868?—Yes.

Q. Do you not remember that in the month of February, 1873, which is the last winter Term I held at St. Julienne, that there were two days of Term instead of one?—I remember a circumstance in relation to a case. I remember that there were two days of Term, and that the Judge remained three days at St. Julienne—Saturday, Sunday and Monday—in order to complete the *enquête* in a case of Dufresne against Dalpée.

Q. What is the distance from St. Julienne to Sorel passing first by Joliette and

then by L'Assomption; and what is the distance to be travelled by way of Montreal, in case it should be necessary to go there?—I am unable to state what is the distance between Montreal and Sorel, except by way of L'Assomption, which would be from St. Julienne to Montreal, by L'Assomption, fourteen leagues and a half; returning from Montreal to L'Assomption, eight leagues. I never went but once from L'Assomption to Sorel. I think the distance is nine leagues besides the crossing, which is perhaps one league.

Q. Now by way of Joliette?—From Sorel to Joliette is about seven leagues, counting the crossing.

Q. Do you consider that a person taking two days to travel from Sorel to St. Julienne, and two days to return from St. Julienne to Sorel, would be too long, considering the roads and the number of leagues to be travelled?—For the November Term two days is certainly not too much; in February it might very often happen that it would be impossible to travel it in one day, unless by travelling part of the night; but in summer, in June, it can be done in one day, provided one is not delayed by the ferries.

Q. Can the journey be made in one day by starting at noon?—It is not possible; or else one must have somewhat extraordinary horses.

Q. Is not the period of the February Circuit generally a stormy period?—It is generally the period of the heaviest snow-falls.

Q. Whom do you consider bound to make the entry of cases in the registers; is it the clerk or the Judge?—It should be the clerk.

Q. When the Judge makes them himself, does he not do it for the clerk?—That is my opinion; sometimes, in fact, the Judge has kept the *enquête* roll for the clerk, and made the entries for the clerk, because the clerk was a novice at making such entries.

Q. You were asked for a report of the days of Term on which the Judge sat from 1867 to 1874; who asked you for that report?—It was Mr. Timothy D. Latour, of Lanoraie.

Q. You know him to be the signer of the first petition, do you not?—I cannot say.

Q. At what time did Mr. Latour ask you for that statement?—I think it was in 1874, in July; at all events, I dated the statement.

Re-examined:—

Q. You had found a mistake in your return; did you find any others since in your statement?—None other but that one.

Q. Am I to understand that, in relation to the distance for which you have mentioned two days of travel, it was two days for going and two days for returning?—Two days for going and two for returning by Joliette and L'Assomption; I said, according to the weather, in autumn particularly. I saw the Judge come when the roads were exceedingly difficult to travel, and his horses were greatly fatigued.

Q. What is the distance between St. Julienne and Joliette?—Six leagues.

Q. Between St. Julienne and Sorel?—About seven leagues.

Q. Have you yourself ever travelled between St. Julienne and Joliette?—No.

Q. Between L'Assomption and Sorel?—Yes, once. I went there to take out my certificate of study. We left L'Assomption at four in the morning, and when we reached Sorel it was dark. It was in winter, in the month of January; the roads were bad.

Q. You said that in your opinion it is the clerk to make the entry in the roll?—Yes, it is my opinion.

Q. Is it because you do so yourself or because you have seen it done in other Courts?—I judge from the fact that Judge Olivier makes no entries, and never looks at the Roll. Judge Loranger used to do the same thing, but not generally.

T. BEAUCHAMPS.

" T. "

Table filed by the last witness showing days upon which Judge Loranger held the Circuit Court of the County of Montcalm.

From July, 1867, to December, 1874, inclusively, the Terms were appointed by proclamation from the 1st to the 5th of the month of February, from the 6th to the 1th of June, and from the 1st to the 5th of November, in each year.

The Term of June, 1873, was the last held by Judge Loranger. Judge Olivier then succeeded him.

1867—From the 1st July to 31st December: No Term.

1868—February Term :

The 1st, 1 day..... \$6 00

" June Term :

The 6th, 1 day..... 6 00

" November Term :

The 2nd, 1 day..... 6 00

1869—February Term :

The 1st, 1 day..... 6 00

1870—February Term :

The 1st, 1 day..... 6 00

" June Term :

The 6th, 1 day..... 6 00

" November Term :

The 2nd, 1 day..... 6 00

1871—February Term :

The 3rd, 1 day..... 6 00

1872—June Term :

The 6th, 1 day..... 6 00

" November Term :

The 2nd, 1 day..... 6 00

1873—February Term :

The 1st, 1 day..... 6 00

" June Term :

The 6th and 7th, 2 days..... 12 00

JOSEPH ZEBEDEE MARTEL, residing at L'Assomption, being duly sworn, deposes and saith :—

Q. You are Clerk of the Circuit Court at L'Assomption?—Yes.

Q. How many years have you been Clerk?—Since the year one thousand eight hundred and fifty eight. I have with me the Rolls and Registers of that Court fixing the cases for hearing for the years from one thousand eight hundred and sixty-seven to one thousand eight hundred and seventy-four.

I produce it under number.

I have prepared a statement showing the number of days on which Judge Loranger held Court in the Circuit of L'Assomption. But I desire to make some

corrections in the original statement which I had prepared at the time; when I was directed to make out that statement, I was told that it was for the purpose of making improvements in the Court Houses, and I was asked to make out the statement for that very day. It was made out hurriedly, and I desire to make corrections.

I have now before me that original statement: it is marked D.

Q. Be good enough to examine whether this statement is correct?

(The Advocate for the petitioners, presents to the witness a new statement, prepared from the books, and marked S.)

A. In this statement I desire to add: The 27th January, and The 27th October, 1869,—which I forgot in my first statement.

In 1871, on the 26th of May, in place of Judge Loranger, it should be Judge Sicotte.

Now on the 26th October: No Judge.

On the 27th October, in the same year (1871), Judge Sicotte, in place of, Judge Loranger.

For the year 1872, 27th January: Judge Beaudry.

Eighth July: Extra term held by Judge Loranger,—which also is not mentioned in my statement.

With these corrections, I can certify that my report is correct, and in accordance with my books, except as to an extra term held by Judge Olivier, in 1874, at which there were three term days,—the 2nd, the 3rd, and the 4th February; but it appears by my roll of *enquête*, that he only sat on the 2nd February, whereas he did sit on the three days, which shows that it may be that in my report there are other Court days on which Judge Loranger may have presided, and which I cannot point out.

I now produce the statement corrected and marked S, which is the table of all the days on which Judge Loranger presided, from the 1st of July, 1867, up to the 26th May, 1873.

I have searched, in order to prepare this statement, the books containing the entries of cases, the books of inscription, and registers of judgments.

It was on the basis of those three series of books, that I prepared that statement, which is correct.

I have the books of inscription of non-appealable cases.

We were not in the habit of entering the adjournments in the books.

I made a roll, day by day, for the cases fixed for *enquête* and hearing in term, as well for appealable cases as for non-appealable cases.

I can cite instances: thus, that which I cited a while ago, in relation to Judge Olivier,—the extra term in which there were three term days, while there is but one day entered on my roll.

I am unable to quote another instance.

Q. If I have well understood you, it is the only occasion on which you did not prepare a roll,—on which you put off to the following day, on the same list, cases fixed for the first day?—It is the only one I can now point out; it is possible there may be others, but I am unable to point them out.

Q. Do you believe there are any others?—It may be that there are others.

Q. Have you any reason to believe that there are others?—I have the reason I indicated just now; at all events, I believe that it would be an exception, for I always make out a roll.

Q. For the case of Judge Olivier, you have said that it was about a special term?—Yes.

Q. What was the matter to be dealt with?—It was the case of Edouard Leblanc vs. the Curé Bédard; it is a case which lasted nearly two years.

Q. Was there only that case to be heard at that term?—Yes; I had fixed a day for hearing the *enquête*.

Q. Be good enough to point out in your book the place where that case is entered?—Here it is: 2nd February, 1874.

Q. Are you sure that on the following day and on the day thereafter the Judge

was present? Are you sure that the parties did not proceed amicably out of the presence of the Judge?—No; they did not proceed out of the presence of the Judge.

Q. Are you certain that the Judge was there?—Yes; the depositions were not taken at length; it was only notes taken by the Judge.

By Mr. Baby:—

Q. Examine that last case entered on the roll; who wrote the words "P. O. C. A. V.?"—Judge Olivier, I think.

Q. Here is an entry on the 7th September; who erased that? Was it you?—I think it must be the Judge who erased that—Judge Olivier.

Q. There is another of the 7th June struck out also; by whom?—I do not know.

Q. That makes three?—Yes.

Q. Have the Advocates access to those books?—Yes.

Q. Have they access to them out of your presence or in your presence?—Ordinarily in my presence.

Q. Generally it is you and the Judge who have those books in your possession?—Yes.

By Mr. Fontaine, Advocate for the Petitioners:—

Q. Do you know by whom those alterations or erasures were made—by whom those words were struck out?—I have just told you I do not know.

Adjourned to to-morrow, 8th March, inst.

March 8th.

Deposition of witness resumed: Examination in chief continued.

Q. What is the distance between L'Assomption and Joliette?—Six leagues.

Q. From L'Assomption to St. Julienne?—Seven leagues or seven leagues and a half.

Q. From L'Assomption to Montreal?—Eight leagues.

Q. From L'Assomption to Berthier, do you know the distance?—No; I think it is nine leagues.

Cross-examined:—

Q. Can you say whether, when Judge Loranger held Court at L'Assomption, the roll was always got through with before his departure, or whether he left on the roll cases in which the parties were ready to proceed?—Nothing was ever left over to my knowledge, because we worked often very late in the evening, and the Judge also, to complete the business.

Q. Well, can it be asserted with truth that the District has suffered because the Judge did not hold Court long enough?—I do not see anything in the shape of a wrong to the District, nor that it has suffered. I do not think that the fact of working at night would lead one to think that the District has suffered.

Q. Your books show the cases pleaded on the merits and inscribed for *enquête*; but have you a book which would show that the *enquête* in cases not inscribed may have been received by the Judge, as well as motions or incidents?—There is no book to show that.

Q. Thus, Judge Loranger might have received and heard the parties on such incidents, received motions, or held an *enquête* during a day or days not mentioned in your statement or in the rolls and register?—It is possible.

Re-examined:—

Q. Has it happened to your knowledge? Can you mention instances?—I do not remember any at this moment.

Re-Cross-Examined:—

Q. Could that have happened without your remembering it in view of the long lapse of time?—Certainly, it might have happened, and that I should have forgotten it.

J. Z. MARTEL

C. C. C.

Table produced by the preceding witness, Martel. "S."

I the undersigned clerk of the Circuit Court in and for the county of L'Assomption, certify that according to all the Registers of the said Court of which I am the custodian, Judge Loranger held the Circuit Court at L'Assomption on the following days, according to the books of the said Court, from July, 1867, to December, 1874, inclusively:—

1867—September Term :	
The 26th.....	1 day
1868—January Term :	
The 27th.....	1 "
" May Term :—	
The 26th, 27th, 28th, 29th.....	4 "
" October Term :	
The 26th, 27th.....	2 "
" November Term (adjourned for judgments) :	
The 3rd.....	1 "
1869—January Term :	
The 26th, 27th.....	2 "
" May Term :	
The 26th.....	1 "
" October Term :	
The 26th, 27th.....	2 "
1870—January Term :	
The 26th, 27th.....	2 "
" May Term :	
The 27th.....	1 "
" October Term :	
The 26th, 27th.....	2 "
1871—January Term :	
The 26th.....	1 "
1872—May Term :	
The 27th, 28th.....	2 "
" July Term (adjourned from May) :	
The 8th.....	1 "
" October Term :	
The 26th.....	1 "

1873—January Term :

The 27th, and May 26th 2 days.

Judge Olivier has since replaced Judge Loranger.

J. Z. MARTEL,
C. C. C.

OTTAWA, 7th March, 1877.

OTTAWA, March 7th, 1877.

JOSEPH OCTAVE DÉSILETS, being duly sworn, deposeseth and saith :—

Q. You are Prothonotary of the Superior Court, and Clerk of the Circuit Court of the County of Joliette, and Clerk of the Crown and of the Peace for the same district ?
—Yes.

Q. Since when ?—Since the twenty-ninth of July, 1871.

Q. Please produce before the Committee all the registers, rolls of cases and sheets of hearings of the Superior Court, of the Criminal Court and of the Circuit Court of the District of Joliette, for the period from July, 1867, to the month of May, 1874 ?—I produce them.

(Adjourned the hearing of witness to to-morrow, 8th March, 1876.)

9th March, 1877.

The examination of the witness is resumed as follows :—

Q. You have since the adjournment of your testimony, that is to say since the day before yesterday, the 7th of March, prepared a table of the days of the sittings of the Court held by Judge Loranger at Joliette from the 1st July, 1867, to the month of May, 1874 ?—Yes.

Q. Please produce it ?—I produce it; it is marked letter Y. It comprise the terms of the Criminal Court, of the Superior Court, and of the Circuit Court. I have prepared that statement according to the book of judgments, the book or roll of *enquête* and of law, in fact according to the different books of the different courts which could give me information on that subject.

I must add that that statement may not show all the days Judge Loranger was present at Joliette. It may have happened that some other days were employed either at *enquête* or at some other thing, by Judge Loranger, and that there is no entry of that.

Q. Explain to us how it happens that there may have been days of sittings of the Court, which are not to be found on the registers ?—Generally we made entry of cases inscribed on the roll of *enquête* each day; but it has happened sometimes that a case commenced in the evening, in which we knew the number of witnesses whose examination was deferred to the next day, and we made no entry for that day, in order to avoid the transcription of cases which immediately followed those upon which we were then proceeding.

Q. I would ask if you know of any cases—if you can cite such a case ?—It is very difficult after ten years.

Q. Try to remember a similar fact to the one you have mentioned—the name of a case, and the time ?—I cannot remember any at the present moment.

Q. You cannot remember any case in which proceedings were had without any entry appearing in the register ?—Not at this moment. If I had been warned; if I had my tax books of witnesses. I could see immediately what you ask me to tell you from memory. That book has not been asked of me; I have not brought it.

Q. What is that book you speak of?—The tax book of witnesses, a book which I keep specially for that.

Q. On your roll of *enquête*, you do not enter that such or such a witness has been examined?—Not at Joliette. The roll of entry is made for cases postponed.

Q. Appealable or non-appealable?—For all.

Q. There is no continuation for non-appealable cases?—It has happened more frequently for non-appealable cases than for others.

In filing that table which I have made to the best of my knowledge, I must say that I may have omitted some days on which the Judge sat; thus, since yesterday I have discovered four errors,—which goes to show that I may have made still more omissions.

Q. As it now stands, can you say that it is correct to the best of your knowledge?—To the best of my knowledge.

Q. According to your registers?—Yes.

Q. Do you know any case,—which may not appear in your registers,—as having been proceeded with on any particular day, and say what day?—In a case, No. 684, Superior Court of Joliette, Joseph Edouard Beaupré, petitioner, against the Corporation of the County of Montcalm; it appears that on the 9th September, 1872, a petition was presented to Judge Loranger, which he received that day; his initials even appear on the back of the petition and in the list exhibit 1, on the petition, and nothing of that appears in the books.

Q. It was on official business that the Judge went to Joliette?—Yes.

Q. Had the Judge been called upon to go there?—I cannot say; I know that he was at Joliette, and that the petition was presented to him.

Q. Is it not true that it is the custom to present those petitions, to deposit them in the Prothonotary's office, and when the Judge comes afterwards, that they are presented to him, but that, notwithstanding, they bear the date of the day on which they were presented and left in the Prothonotary's office?—No, never.

Q. Is it not the custom in the rural districts where there is no resident Judge, to present a petition like the one you have just spoken of, and of which notice is given to the adverse party,—to present it at the office of the Prothonotary, and to argue or not, and to have it admitted only when the Judge is present afterwards, and that nevertheless the filing of the petition is initialled on the day on which it was presented to the clerk?—No, never.

Q. Are you able to say what was done in relation to that petition?—It was presented in the ordinary manner, a proceeding resulted from it; there were exceptions, declinatory and others.

Q. It was at the same time and same date as the case of Payton and Cornellier?—If it was not at the same time, it was the day after, that the case of Payton and Cornellier was fixed for *enquête*.

Q. At all events, it was at the same time that both matters took place—the presentation of the petition and the case of Payton and Cornellier?—Yes, it was the same journey.

Q. The petition was presented, and proceedings were had on that petition?—Yes.

Q. Have you not mentioned those days in the statement you have given?—It is possible, but I think not.

Q. In the statement which you gave to the Judge, did you not mention it?—I cannot say; it is possible.

Q. The Judge arrived in the morning, received the petition, and returned in the afternoon?—I do not recollect what he did.

Q. There was no proceeding upon the petition?—No; there were exceptions, and the appearance was filed the following day at the office of the Prothonotary. The Judge was not there the next day; I do not wish to say that the Judge was not at Joliette; I mean to say that he was not at the Prothonotary's office when the appearance was filed.

Q. You say that it may have happened that the Judge may have been present

two or three times without any entry having been made in the registers?—I said sometimes.

Q. By the general rule you cannot establish the presence of the Judge on those days?—There might have been exceptions, and there were some.

Q. Will you tell us what are those exceptions?—I should be compelled to search the books and all the records.

Q. Was it not Judge Loranger who showed you that record, Payton and Cornellier?—I knew it beforehand, because Mr. Champagne had informed me that he remembered that Judge Loranger had come to Joliette in a certain instance, and especially at the time of the presentation of that petition; and it is by that I remember the case.

Q. Do you not recollect other cases when the Judge came and which are not mentioned in the books?—I cannot tell you that from memory. I could have made researches in my office.

Q. Did Judge Loranger, before your evidence, ask you if you had that record, Payton and Cornellier?—The Judge did not ask me if I had the record in question. I may state that Judge Olivier informed me of the fact of which I have spoken in relation to the case of Payton and Cornellier. He asked me if I remembered the case; he even asked me for the record.

Q. Did Judge Loranger go to Joliette to the office to obtain a table of the days of Court which he had held?—Yes, in July last.

Q. Is it not true that if you knew of other instances in which the Judge sat, you would remember them?—Besides those mentioned in the registers, I have told you that it might be that there were others and that I did not remember them.

Q. Thus, then, apart from the case mentioned above, you do not remember any other circumstance?—No, I cannot now specify any.

Q. You do not remember?—Not at present. I wish to state to the Committee that, in giving the table, the figures speak for themselves; however, it may appear a little strange without explanation that there are days which do not follow each other, but I can explain with my calendar what are the Sundays or holidays which cause an interval between the days which I have marked upon my table.

Q. Explain how it occurs that intervals of several days appear by your table during the Terms which appear to have been held or appear by the table, especially the intervals which appear in the Terms of June and July of each year?—I am to commence with the first Term, doubtless.

Q. Commence with the June Term?—There is St. John Baptist Day, no Court; it adjourns on the day before, or on the morning itself; St. John Baptist Day does not appear on my table; there is St. Peter's Day, on the 29th, a legal holiday; likewise the first of July; then there is a Sunday in the last days of June.

Q. In the Term of June and July almost invariably, was the Court not held from the first or the second day before St. Peter's Day to the first or the second day after Dominion Day?—I think I cannot say generally; sometimes it happened that it was not held on the 30th June; the 29th was St. Peter's Day; the first of July was a legal holiday; then the Court adjourned from the 28th to the 2nd July * * * sometimes.

Q. Have you any knowledge that Judge Loranger went to Sorel on St. John the Baptist's Day in one thousand eight hundred and sixty-nine and one thousand eight hundred and seventy?—I can state the Judge went as often to Sorel as he remained at Joliette during the years when he came. I cannot state precisely as regards the two years you have mentioned.

Q. Is it not true that during June Term, when St. John the Baptist's Day fell on Saturday, that the Judge went to Sorel not to return until the day after Dominion Day?—As for that I must see an almanac in order to know.

Q. Is it not true, yes or no, that Judge Loranger went to Sorel on the eve of St. Peter's Day, not to return until the day after Dominion Day?—Sometimes, but not generally. (The witness here examines the Judicial Almanac.) In one thousand eight hundred and sixty-nine the twenty-sixth was a Saturday, the twenty-

eighth a Monday; the thirtieth a Wednesday, and all the intermediate days were "*dies non*."

Q. I find by your table that in the year one thousand eight hundred and sixty-nine the Court adjourned on the 26th June, and re-opened on the third of July?—I see that the Court was held on the twenty-eighth and thirtieth of June, and on the second and third of July.

Q. It was adjourned from the thirtieth of June to the second of July?—Yes.

Q. You have stated that there might be Court days mentioned in your table which were not in your books; might it be possible that a Term might be adjourned from one day to another day, and that you should not be able to find it out from your books?—That is possible, and even at that time I recollect a case which has already been spoken of, Payton *versus* Cornellier, which was fixed for *enquête* without the books showing that it was so.

Q. Is it possible that a special Term might be fixed by the Judge from May to July, and that the day fixed in July might not be mentioned in your books in order to show that special Term?—If the Term was fixed for the rendering of judgments it ought to appear on the books.

Q. And if it is a Term fixed for hearing?—It might happen that it would not appear from the books. It has sometimes happened that a special Term was fixed, and that on the proper day the Honourable Mr. Justice Loranger came, and the members of the Bar were not ready to proceed; and that from that fact alone the case was continued to the following Term.

Q. In that case had you not prepared your tables or your rolls, and were you or were you not ready to proceed; and can you not ascertain from your rolls that the Court was to be held on that day?—In the cases in which the attorneys were not ready to proceed I could not ascertain it from my books, for the reason that having been informed some days before the Term by the attorneys who were to proceed in those cases that they were not ready to do so, then I did not prepare my roll; and it used to happen that I only made a roll for appealable cases in the Superior Court and in the Circuit Court, in which cases the depositions were taken down at length.

Q. Can you state or recollect a single case of that nature?—I can see nothing in my books, but I have the case of Payton and Cornellier, and furthermore, it is possible I might find some other cases by turning over the papers in my office.

Q. Can you recollect any other cases than that case, Payton *versus* Cornellier, in which the parties were not ready to proceed on the day appointed as a special Term? (Objection taken to the question by the Committee.)

Q. Do you recollect that in 1867, on the 15th of July, there was a Term held which was an adjournment of the Term of May previous?—I am not ready to answer the question at once, I cannot recollect.

Q. Have you not ascertained that from your Registers; nothing is more simple than that?—I ascertained the Term days from my register only, and nevertheless this morning I found four errors. My registers were not always well kept before my time, so as to shew that with any degree of certainty.

Q. Is it to your knowledge that in 1867, in July, or in any year, Judge Loranger went to Joliette during the vacation to hold the Court?—I cannot say whether he came or whether he did not come. I know that one year he was there on the 11th of July; he was, I think, there on Court business—for Criminal Court business.

Q. In any case there was no Court held there on the 15th July, 1867?—I could only give a satisfactory answer after referring to my registers?

Q. You were there in the clerk's office in 1867?—I have been there since 1858.

Q. It was you who conducted the office under Mr. Groulx?—Yes. I have never failed except that I took a few days holidays, and it may be that I was absent on the 15th of July.

Q. To the best of your knowledge and from your registers, so far as you have been able to see, is that table correct?—To the best of my knowledge.

By Mr. Baby :—

Q. Do you remember a case in the Circuit Court, non-appealable, *the Corporation of St. Alexis versus Aumont, Dupuis and Dupuis*, and in which the proof occupied the whole day? And do you recollect that it was Judge Loranger who presided over the Court?—Yes. I believe that the *enquête* lasted three or four days, at any rate during the Term.

Q. Do you recollect another time five cases being joined together? *Arpin versus Fouché*, and it took the whole Term presided over by the Honourable Mr. Justice Loranger?—Yes, it was a timber case in the Circuit Court—a non-appealable case.

By the Chairman :—

Q. Do you recollect the date of those cases?—No.

Q. Please look in your books, between this and to-morrow, the 10th March instant, and tell us the date of those cases?—Those days are included in the table which I have produced.

The examination of the present witness is adjourned until to-morrow the 10th March instant.

10th March.

Examination of witness resumed :—

Cross-examined :—

(The objection being reserved arising from the fact that the Judge has not been accused in the petition of over-charge in his travelling expenses as regards the Superior, Circuit and Criminal Courts of Joliette.)

By Mr. Baby :—

Q. Please look at the diary of appealable cases of the 23rd of October, 1876? Do you find the case of *Martel versus Godin*?—Yes.

Q. Do you see that there has been an entry struck out?—Here it is in a case of *Mooney versus Cannon*, it is an entry made in the handwriting of Judge Olivier. It appears in the list of cases continued to the 23rd of October, 1876,—In a case, No. 970, I see an entry made by Judge Olivier, containing the following words:—“*The defendant when called did not appear, the plaintiff declares his enquête closed, the defendant not appearing to proceed, his enquête is declared closed. The plaintiff prays judgment. “C. A. V.”*” The whole of this entry is struck out by the Honourable Mr. Justice Olivier. Below it are written the following words: “*Cause continued to the 2nd of November, 1876.*” The whole in the handwriting of Mr. Justice Olivier.

By Mr. Taschereau :—

Q. Was it struck out in your presence?—I cannot swear to it; the Judge struck that out in open Court; I was in my seat.

By the Chairman :—

Q. At the request of the parties?—I believe that the entry was first made by the Judge, and then, at the request of the parties, or rather of the plaintiff's attorney, it was struck out.

By Mr. Taschereau :—

Q. Was the other attorney present?—No, the plaintiff's attorney had that done in order not to take advantage of the absence of the other attorney.

Q. Do you know that the Judge also made erasures the next day?—That happened quite frequently.

Q. If those entries were authentic would it be in accordance with the practice to adopt the mode of altering or modifying them—merely to erase or strike them out; ought they not, on the contrary, to be the subject of a different entry in writing.

[Objection taken to this question on the part of the petitioners. Question allowed.]

A. Certainly if those entries were authentic, there would necessarily be required a distinct instrument, which would allow us to see the reason for which those entries were made, because I consider that the entries made in the margin are the work of the clerk, and if by chance there should happen to be any mistakes, he ought to have them corrected by the Judge or correct them himself.

By the Chairman:—

Q. Do you consider that an entry made in this way by the Judge, could be altered without the consent of the parties?—I do not think so.

Q. If that entry was only the correction of an entry made by mistake, and that the prothonotary charged with the preparing of the transcript, should draw the attention of the Judge to an apparent error, or should ask him what was the true state of affairs relative to that entry, do you believe that the Judge should make it (the correction)?—I think so; and I should do it myself, when placing the cases on the list of the day.

Q. Suppose, for example, that a case had been continued to the 23rd of any month, that the Judge had indicated it as having been continued to the 24th, that you should be called upon to prepare your list for the 23rd, and that you should draw the attention of the Judge to that mistake; do you think that he ought to change his entry to make it agree with the proceedings which were taken?—I think so; and this has been put into practice several times, in non-appealable cases especially, because it has happened several times that the Judge's notes on the roll of cases respecting the fixing of the cases for proof or hearing did not agree with the notes which I took or indicated myself on the record of the case; when I issued subpoenas for a day which I knew to be fixed by the parties, I passed over the entry made by the Judge, and I returned the case as fixed on the proper day.

Q. Do you consider it is the duty of the Judge to keep the entries made on the roll of cases for *enquêtes* and hearing, or rather that it is, properly speaking, the duty of the Clerk?—I consider that it is really the duty of the clerk, and that the Judge who makes them does so only through complaisance.

Q. Please state what took place in your district respecting the keeping of those entries by the Judge, and what took place previous to his administration of justice in your district; before Judge Loranger's time, were not those entries made by the clerk; why was that change made?—It is to my knowledge that during the first years, Mr Groulx being clerk, made the entries sometimes himself; and as sometimes he was, perhaps, a little negligent, and difficulties arose between the Bar and himself respecting those entries, which one side alleged ought to have been made in one manner, the other party in another, then the Hon. Mr. Justice Loranger, to remove those grievances, undertook to make those entries himself, which cut short all those difficulties, although, however, the clerk sometimes made them.

Q. Do you consider that the keeping of those entries by the Judge was, among other reasons, to guide the clerk when he needed to refer to the proceedings?—Yes, certainly; one is guided by those entries to make the entries of the following day, and also the entries in the minute book.

Q. Did it not often happen, while Judge Loranger was holding the Court in your district, that you allowed some days to pass without renewing the roll, either because the whole roll was not gone through or some one of the cases was not proceeded with, and that during several days of the Term the case inscribed for the first or second day remained on the roll without being adjourned from one day to another?—That happened often enough.

Q. In this way, from the non-appearance on your roll of the cases inscribed or

continued to a particular day, would it follow, in your opinion, that the Judge had not held the Court on those days during which the case was continued?—No, that would not follow.

Q. That happened several times?—Yes.

Q. Look at the roll for July, 1873, and tell me how many days it would appear from your roll that the Court had been held?—(The witness examines the roll in question.)—A. Three days only; the 28th of June, the 2nd and 3rd of July; while the Term was actually held on the 28th and 30th of June, the 2nd, 3rd, 5th, 7th and 9th of July.

Q. Did it happen that Judge Loranger went upon the Bench during the days of Term and found that there was nothing to do; or, rather, that proceedings were had of which no entry was made in any book?—That happened quite frequently, without my being able to fix the dates accurately, either because the Bar were not ready to proceed, or that only motions or proceedings which would not appear on the books were gone through with.

Q. In general, would incidental proceedings, such as petitions and motions, appear upon your books or only on the records?—They would only appear on the records; at Joliette there was never a roll kept for motions and petitions.

Q. Did not the Judge hold the Terms during their whole continuance?—Yes, generally, with but few exceptions.

Q. Can you point out an exception?—I cannot name the year; but I know that one year—during the February Term,—I think the Judge did not come for one of the first days of the Term on account of a snow-storm. Once or twice it happened in that way. At all events, there was a Term in which Judge, advocates and prothonotaries were obliged to go to the Court House on snow-shoes, on account of a very violent snow-storm.

Q. Was that not in 1869?—It was in 1868 or 1869, one of those two years. There was a great deal of snow during those two years.

Q. For two months?—Yes, February and March. I know that people drove about in sleighs, and that they passed along at the height of the second stories of the houses; the houses could not be seen from one side of the road to the other. Another time, in June or July—I cannot say in what year—the Judge absented himself for one day in order to return to Sorel.

Q. Was not that after having warned the Bar that it was for a matter connected with his office?—Yes; but I do not know why it was. I know that it was after having warned the Bar. Perhaps once also—I no longer remember accurately; I think on the thirtieth June—the Court adjourned from the twenty-eighth of June to the second of July on account of public holidays.

Q. Do you know whether Judge Loranger was absent or present during the interval?—I cannot recollect during that interval. I know that the Judge held the Terms appointed by proclamation, and pretty often more Terms than those so fixed by proclamation.

Q. Are those the only exceptions that you know of?—To the best of my knowledge, as I mentioned yesterday, without reckoning St. John the Baptist's Day.

Q. Do you think it would be possible for the Judge to leave his house in the morning and reach Joliette in time to hold the Court the same day?—I do not believe it, unless by rising very early, and then there is a crossing to make, and it is six leagues from Joliette to Berthier; the roads must be in very good condition, and one must leave in the early morning.

Q. Do you know of any occasion on which the Judge left his house in the morning?—I know that sometimes the Judge arrived in the morning by the train, but he came from Lanoraie. I presumed that he slept at his brother's house, who lives there near the railway terminus.

1st Question by Mr. Taschereau:—

Q. What distance is it from L'Assomption to Joliette?—Six leagues.

Q. From Joliette to Lanoraie?—Four leagues by railway, and five by the ordinary road.

2nd Question :

Q. Have you any knowledge that the Judge was sick during certain Terms, and that he came into Court in a state of great suffering?—I know that the Honourable Judge sometimes arrived being indisposed; that I cannot state precisely when.

Q. Do you not know that the Judge was even in the hands of Dr. Leprohon?—I cannot say exactly. I know that I sometimes went to the hotel, and it may be that I saw there Dr. Leprohon; but I could not swear to it. I know that sometimes the Judge despatched business in the shortest possible time and returned to the hotel, because he was sick. I myself went to see him about entries of judgments.

Q. As a general rule did not the Judge draw up the judgments with you after the Term?—Most often the Honourable Judge rendered his judgments in open Court, and only took notes of them, and after Court I went to his room and I drew up the judgments from his dictation?

Q. Did you say that there is no written trace of certain Terms of adjournment or special Terms to be found in the books?—No trace.

Q. Do you make a distinction between a Special Term and an adjourned Term?—There is no difference so far as I can see between the two. (The witness desires to rectify an answer which he has previously given :) During the first years Mr. Groulx made me make the entries in the inside of the cover of a register by simple note: "*The Court is adjourned to such a day.*" But since 1864 or 1865 this has no longer been done.

Q. I think that you did not always enter in the books what were the adjournments?—Not only were they not always entered, but further, they were never entered. The only entry which could appear was in the margin in the last column.

Q. Will you look at your statement and say whether on the 10th and 11th September, 1868, there was held a Special Term of the Circuit and Superior Courts?—Yes, of the two Courts.

Q. Is there in your books any entry of that Term?—In the roll of appealable cases I see an entry. Previous to that date there is nothing, no entry showing that the Court had adjourned to the 10th.

Q. So that if on the two days the Court was not held and the Judge did not arrive there would be no trace of his presence at the county town (*chef-lieu*)?—No, by the rolls of the Court, perhaps from those of the Superior Court one might ascertain it—there might have been judgments rendered on the 10th.

Q. Please look in your books?—Yes. It appears that on the 10th several judgments were rendered.

Q. The fixing of the Term does not appear from your books?—No.

Q. Please tell us whether in your statement on the 9th September, 1872, or somewhere near it there is a Term mentioned?—No, nothing appears.

Q. That was the day on which the Judge went there (to Joliette) for the case of Payton and Corneliere, and that he signed the petition for the *mandamus*?—Yes.

Re-examined:—

Q. You say that in June, 1873, there were held more Court days than appear by the register; those Court days which you allege to have been held, and not to appear in the registers, are they shewn in the table which you have produced?—I did not say that the days mentioned on that table in the June and July Terms, 1873, did not appear in the registers, but that the Court days held over and above those ordered by the proclamation fixing the Terms are the 5th, 6th and 9th of July.

Q. Did you mention the same fact as having happened at another time than in 1873?—I do not think that I mentioned the year.

Q. Did you mention the fact as having happened in that way without stating the precise year?—Yes, without stating the exact year, I mentioned the following: that

the Honourable Judge had held the Court longer than was appointed by the proclamation.

Well, do those days, on which the Honourable Mr. Justice Loranger held the Court in excess of its duration, appear in your table, although they do not specially appear in the rolls?—They appear on my table.

Q. Was the Honorable Judge in the habit of granting special and adjourned Terms when he had no further business to transact in the regular Term?—No.

Q. Then when he adjourned a special Term it was because he could not finish what he had on the roll?—It has happened that the Judge fixed days for rendering judgments.

Q. Then, if I understand you perfectly, there were no special Terms fixed when there were judgments to render in the cases which had been argued during the regular Term. They were only held for business which was not finished?—Yes, it has occurred that the Advocates asked for a day in order to proceed in certain cases.

Q. You stated that there was no special entry on the roll nor in the registers with reference to those cases?—No.

Q. How do you recollect it, then?—It is very easy to recollect it; the Court adjourned for three weeks or a month.

Q. You kept it in your memory?—Yes.

Q. You do not forget it?—No.

By Mr. Bechard:—

Q. For what reason was not that entered in the registers?—From custom.

Q. Before the day appointed for the special Terms of the Court, as there was always some business to be transacted, did you not prepare a special roll of cases which were to be gone through with on those days?—A roll was generally prepared in the morning or the day before, because it happened that quite often the Bar asked for a special Term, and, nevertheless they, the members, were not ready to proceed; then some days in advance they told us; we ourselves used to ask them, "*are you not preparing the subpoenas for such or such a case?*" and they replied, "*no, we are not ready.*"

Re-cross examined:—

Q. Do you say that it was only in the circumstances in which there remained cases on the roll that the need of that special Term was felt; might it not happen that without a "*remanet*" there might be need of a special Term?—I believe that I said that the advocates sometimes asked for a special Term in order to proceed in cases which were not entered on the roll of the regular Term in which such request was made.

Q. If there was no inscription made for that special Term, there would be no trace of the presence of the Judge?—Yes.

J. O. DESILETS.

OTTAWA, 12th March, 1877.

Exhibit "Y" produced by the foregoing witness, J. O. Désilets.

Table of days of the Circuit Court held at Joliette by Judge Loranger from 1st of July, 1867, to the 1st May, 1874.

1867—October Term :

The 7, 8, 10, 11, 12, 19..... 6 days

1868—February Term :

The 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22..... 11 "

" June and July Terms :

The 22, 23, 25, 26, 27, 30 June; 2, 4, 9 July.... 9 "

Adjourned to 10th September.

1868—September adjourned Term :		
The 10, 11	2 days.	
“ October Term :		
The 10, 12, 13, 14, 15, 16, 17, 19, 20, 21, 22.....	11	“
“ Continued to the 20th of November.		
“ November continued Term :		
The 20.....	1	“
1869—February Term :		
The 11, 12, 13, 15, 16, 17, 18, 22, 23, 24, 25.....	11	“
“ June and July Term :		
The 22, 23, 25, 26 June; 3 July.....	5	“
“ October Term :		
The 11, 12, 13, 14, 15, 18, 19.....	7	“
“ Adjourned to the 15th November.		
“ November Term :		
The 15, 19	2	“
1870—February Term :		
The 10, 11, 12, 14, 15, 16, 21, 22.....	8	“
“ June and July Term :		
The 22, 23, 25, 27 June; 4, 9 July.....	6	“
“ October Term :		
The 10, 11, 12, 13, 14, 15, 17, 19, 22.....	9	“
“ Continued to the 15th November.		
“ November adjourned Term :		
The 15	1	“
1871—February Term :		
The 10, 11, 13, 15, 20.....	5	“
1872—June and July Term :		
The 22, 25, 26, 27 June; 2, 3, 9 July.....	7	“
“ October Term :		
The 10, 11, 12, 14, 15, 16, 22	7	“
Adjourned to 18th November.		
“ November adjourned Term :		
The 18, 20	2	“
1873—February Term :		
The 10, 11, 12, 14, 15, 17, 21.....	7	“
“ June and July Term :		
The 23, 25, 27, 28, 30 June ; 2, 5, 7, 8, 9 July..	10	“
Continued to 6th September.		
“ September adjourned Term :		
The 6.....	1	“

Table of days of the Superior Court held by Judge Loranger, in the district of Joliette from the 1st of July, 1867, until May, 1874.

1867—October Term :	
The 14, 15, 16, 17, 18, 19.....	6 days
1868—February Term :	
The 18, 19, 20, 21, 22.....	5 “
“ June and July Term :	
The 30 June ; 2, 3, 4, 6, 7, 9 July.....	7 “
“ August Term :	
The 26 (one official matter)	1 “
“ September Term (adjournment) :	
The 10, 11.....	2 “
“ October Term :	
The 16, 17, 19, 20, 21, 22.....	6 “
Continued to the 18th November.	
“ November Term (adjournment) :	
The 18, 20.....	2 “
1869—February Term :	
The 16, 17, 18, 19, 20, 22, 24, 25, 26.....	9 “
“ June and July Term :	
The 28, 30 June ; 2, 3 July.....	4 “
“ October Term :	
The 16, 18, 19, 20, 21, 22.....	6 “
Adjourned to the 19th November to render judgments.	
“ November Term (adjournment) .	
The 19.....	1 “
1870—February Term ;	
The 16, 17, 18, 19, 21, 22.....	6 “
“ June-July Term :	
The 28 June ; 2, 4, 5, 9 July.....	5 “
“ October Term :	
The 17, 18, 19, 20, 21, 22.....	6 “
Adjourned to 15th November.	
“ November Term (adjournment) :	
The 15, 16, 17.....	3 “
1871—February Term :	
The 16, 17, 20.....	3 “
1872—June-July Term :	
The 28 June ; 2, 3, 9 July.....	4 “
“ October Term :	
The 16, 18, 19, 21, 22.....	5 “

Continued to the 15th November, to render judgments.

1872--November Term (adjournment):	
The 15 (judgments).....	1 day.
1873--February Term:	
The 17, 18, 19, 20, 21.....	5 "
" June-July Term:	
The 28, 30 June; 2, 3, 5, 7, 9 July.....	7 "
Adjourned to the 6th September for judgments.	
" September Term:	
The 6th (judgments).....	1 "
" October Term:	
The 21.....	1 "

J. O. D.

OTTAWA, 8th March, 1877.

TABLE of the days of Court of the Court of Queen's Bench (Crown side), held by Judge Loranger in the District of Joliette, from 1st July, 1867 to 1st May, 1874:—

1867--October Term:	
The 21, 22.....	2 days
1868--July Term:	
The 6, 7, 8, 9.....	4 "
" November Term:	
The 16, 17, 18, 19, 20.....	5 "
Adjourned to the 2nd February, 1869.	
1869--February Term (adjournment):	
The 2, 3, 4.....	3 "
" July Term:	
The 5.....	1 "
Adjourned to the 13th September, 1869.	
" September Term (adjournment):	
The 13, 14, 15.....	3 "
" November Term:	
The 15, 16, 17, 18, 19.....	5 "
1871--July Term:	
The 5, 7, 8, 9, 11.....	5 "
" November Term:	
The 15, 16, 17.....	3 "
1872--July Term:	
The 5, 6, (full term \$100).....	2 "
" November Term:	
The 15, 16, 18, 19, 20, 21, (full term, \$100).....	6 "

1873—July Term :

The 5, 7, 8, 9, (full term, \$100)..... 4 days.

J. O. D.

OTTAWA, 8th March, 1877,

OTTAWA, 8th March, 1877.

LOUIS E. M. BLONDIN, residing at St. François, having been duly sworn, deposeseth and saith :

I am Clerk of the Circuit Court of the County of Yamaska, of which the county town (*chef lieu*) is St. François.

Q. Have you brought with you all the books, registers and rolls, &c., which were required of you by the subpoena which you received?—Yes.

Q. Please produce them?—I produce them.

Examination of witness adjourned until to-morrow, the 9th instant.

This 9th day of March examination of witness resumed as follows :

Q. Since what date have you been Clerk of the county of Yamaska?—Since the end of June, 1873.

Q. Have you prepared a statement of the days on which the Judge sat at St. François?—Yes, I have prepared it with Mr. Cote, my predecessor; I now produce it; it is marked "Z."

Q. Was that statement prepared from the registers, rolls of cases, in fact from the different books belonging to the clerk's office of St. François, which you have brought here?—Yes.

Q. To the best of your knowledge, is this statement correct and in conformity with the books; does it contain all the days on which the Judge held the Court in your district?—It is in conformity with the registers.

Q. Does it contain the appealable and non-appealable cases?—Yes.

Q. Have you already given a statement or statements like this one?—I have given one.

Q. Have you not given another to Judge Loranger?—I subsequently gave him a statement of the omissions which I believed I had made in the first statement.

Q. Did you point out several omissions?—In the statement which I had given to Mr. Germain there was one day which had not been marked.

Q. On referring to the rolls of appealable and non-appealable cases of the second June, one thousand eight hundred and sixty seven, did you find any adjournment of the Court, and to what date?—My examination of the Register shows me that it was the third June continued to the twenty-fifth July, one thousand eight hundred and sixty-seven.

Q. Is it verified by the two rolls of appealable and non-appealable cases?—Yes, here it is.

(Adjourned till to-morrow, the tenth March, instant.)

10th March.

Examination of witness resumed as follows :—

Cross-examined :

Q. Since you have been clerk, up to the year one thousand eight hundred and seventy-four, has it happened several times that the Court at St. Francis lasted longer than one day?—From one thousand eight hundred and seventy-three to one thousand eight hundred and seventy-four, I think that there was one term in which the Court was held for two days, which does not appear in the table which I have produced.

By Mr. Taschereau :

Q. Why did you not mention that in your table?—Because it did not appear in the registers.

Q. That time you mention, there were two days of Court held?—Yes; there was only one entered.

Q. The entries which you made were thus indicated: "*Term of the month,*" during which it was held?—Yes, I kept it in that way; I believed that it was my predecessor's way, and we put "*February Term,*" or "*May Term,*" &c., &c., without mentioning that the Court had adjourned to the subsequent Term, without making a roll, because the Court was appointed for a subsequent day.

Q. Is it not to your knowledge that since you have been clerk the Judge has slept several times at St. Francis?

(Objection taken to this question on the part of the petitioners. Objection maintained.)

Q. Do you consider that it is the duty of the Judge or of the clerk to keep the roll during the Court?—I believe that is my duty; I have not had much experience in the matter.

Re-examined :

Q. Can you tell us what is the date of that day of Court held in addition, although not appearing in the table?—I think it was the 27th February, one thousand eight hundred and seventy-four.

Q. That day does not appear in your table?—No.

Q. How do you recollect that; from what circumstance?—It is on account of exceptions to forms which were rejected in a certain number of cases brought by Pascal Dauplaise against divers parties in connection with an exception to the form dismissed the last day of the Term. I remember that one of the attorneys in those cases expressed to me, in the evening, his delight at having gained his case.

Q. And how do you make out that there was a Court held the next day?—Because I remember it.

Q. You do not know it from any other circumstance?—No.

Q. Can you swear positively that it was in February, 1874?—I see that the exceptions to the form were dismissed about that time, that appears from my registers and causes me to recollect that the term lasted for two days.

Q. You say that the entries of the terms only include mention of the day of the 1st term; am I to understand that they do not even include the date of the Term held?—They contain the date of the 1st day of the Term.

L. M. BLONDIN.

OTTAWA, 12th March, 1877.

10th March, instant.

The witness is re-called in order to be examined anew by Judge Loranger. (Authorized by the Committee):

Q. A statement of the holding of the Terms at St. Francis was required of you; when was that?—I believe it was in 1874.

Q. Who asked you for that statement?—Mr. Germain, of Sorel.

Q. Did you send in the statement which he asked you for?—Yes, but I delayed in sending it to him.

Q. Did you tell him that the report which you sent him was correct?—I told him that some inaccuracies might have crept into my report, because the rolls, as it appeared to me, might easily not be correct; I sent him the statement with those remarks, telling him that I thought that he had not in it the correct number of the days

of Court held by the Hon. Mr. Justice Loranger, but that nevertheless I sent it to him just as it was, and that I was not positive that the statement was not correct.

L. M. BLONDIN.

EXHIBIT "Z."

Filed by the preceding witness, Mr. Blondin.

Circuit of St. Francis du lac, *Chef-lieu* of the county of Yamaska.

Table of the days of Court held by Judge Loranger in the said Circuit, from the 1st July, 1867, up to May, 1874, or the days on which he was present at the *Chef-lieu* above mentioned for the purpose of exercising his functions as Judge :

1867.	July Term (a special adjourned :)	
	The 25.....	1 day.
"	October Term (special :)	
	The 1.....	1 "
"	November Term :	
	The 4.....	1 "
1868.	February Term :	
	The 24.....	1 "
"	June Term :	
	The 1.....	1 "
	(Adjourned to the 12th June.)	
"	June Term (special :)	
	The 12.....	1 "
"	November Term :	
	The 4.....	1 "
	The 7.....	1 "
1869.	June Term :	
	The 1.....	1 "
1869.	November Term :	
	The 4.....	1 "
1870.	February Term :	
	The 24.....	1 "
"	June Term :	
	The 1.....	1 "
"	November Term :	
	The 4.....	1 "
1871.	February Term :	
	The 24.....	1 "
1872.	June Term :	
	The 1.....	1 "
"	June Term (special) :	
	The 8.....	1 "

1872.	December Term (special):	
	The 16	1 day.
1873.	February Term:	
	The 24.....	1 "
"	June Term:	
	The 21	1 "
"	November Term:	
	The 4	1 "
1874.	February Term:	
	The 26.....	1 "

OTTAWA, 9th March, 1877.

JOSEPH MICHEL COTÉ, residing at Hochelaga, having been duly sworn, deposeseth and saith: For several years I was Clerk of the Circuit Court of the county of Yamaska.

Q. For how many years?—From June, 1859, up to April, 1873.

Q. During the period between 1867 and 1873, do you know on what day the Hon. Judge went to St. Francis, and on what day he left?—He arrived in the morning and left the same evening.

Q. According to you, was this his invariable custom, to the best of your knowledge?—Yes.

Q. By the table which you have prepared along with Mr. Blondin, your successor, it appears that the Hon. Mr. Justice Loranger never sat longer than one day?—Yes.

Q. You do not remember a single case in which the Judge slept there?—I have never had any knowledge of it.

Q. Is it not true that at St. Francis, the Court House and the hotel are next door to one another?—Yes.

Q. You were in a position to see when the Judge arrived and when he left?—Yes.

Q. Have you knowledge of any circumstance in which the Judge arrived at St. François du Lac and that he was not able to hold his Court, from the fault of one or another; for example, because the parties were not ready to proceed?—I do not recollect; that might be in the case of a Term fixed for the 25th July; I am certain that the Judge was present at St. François on the 25th July, but I cannot say in what year.

Q. Are you certain that Judge Loranger was not able to hold the Court through the fault of the advocates?—I know that the Judge came and that he was not able to hold his Court; but I did not say that this was owing to the fault of the advocates.

Q. Generally speaking, does that Term of the Court last several hours?—Four or five hours; it commences a little after ten o'clock and generally finishes about three o'clock.

Q. There is but little business and the proceedings therein are not lengthy?—Yes.

Q. Is it not true that sometimes, even, the Judge did not adjourn the Court, and that dinner had to be postponed till afterwards, and this with the object of expediting business and finishing sooner?—I recollect that that happened.

Q. Do you recollect a circumstance in which the Judge had fixed a Term in vacation, when he told you it was through error, and he could not go?—I recollect that that term had, in fact, been fixed; but I received a telegram from the Judge

telling me that he could not find a vehicle, that his horses were sick, that he could not come. He requested me to adjourn the Court to the 25th July.

Q. That day of Court which he thus telegraphed you to adjourn was not held?—No.

Q. According to your memory was it not in July that the Judge thus telegraphed to you, and that you in consequence adjourned the Court?—No. I recollect that it was in the beginning of June and the day on which I received the telegram must have been the 1st day of the Term.

Q. Is it not your custom, when there are special Terms appointed, to prepare a roll in advance?—Yes.

Q. Were you able to find any trace of a roll prepared for the 25th July, 1867, when you prepared the table?—Yes, but I do not recollect the year.

Q. On that roll is the presence of Judge Loranger mentioned?—Yes.

Q. Then the Court only lasted a few minutes?—The Judge opened the Court and all the cases were called.

Q. The Court did not last more than one hour?—It only lasted a few minutes.

Q. The Judge left immediately after Court?—To the best of my knowledge the Judge generally left immediately after Court.

Q. From the manner in which you keep your rolls, is it possible that a Term, either special or regular, might be kept without its appearing on your registers?—No, where there were any cases for *enquête* and hearing there was always a roll.

(The hearing of the witness is adjourned to to-morrow the 10th March instant.)

10th of March

The examination is resumed :

Cross-examined :—

Q. Do you consider that it is the duty of the Judge, or that of the clerk, to keep the entry books; and was not that practice introduced at the time of the establishment of new districts and on account of the inexperience of the clerks?—I thought it was the duty of the clerk, but the first Term I put the roll before the Judge in order that he might put down his notes opposite each case, then that served as a guide to me, and so it has always continued. For my part I kept notes on the record and I compared them with those of the Judge.

Q. Do you think if the Judge in comparing his notes with yours had perceived any error which he might have committed, that in order to make the two books agree, he ought to have rectified his own, as on your side you ought to have altered yours?—As regards myself I should have taken the opinion of the Judge before making the change.

Q. Do you think that he should have rectified his entry himself?—He would have done so, or would have told me to do it.

J. M. COTE.

OTTAWA, 12th March, 1877.

MAXIME BEAUPRÉ being duly sworn, deposeth and saith :

(Examined by Judge Loranger on the *voire dire*.)

I signed the two petitions which were presented to the House.

Questions by Mr. Brousseau, Advocate for the petitioners :—

Q. By whom was the first petition presented to you?—I think it was by Mr. Brousseau.

Q. When Mr. Brousseau presented that petition to you for signature, did he read it to you, or did he explain to you the substance of what it contained.

(Objected to by Judge Loranger. Objection maintained.)

I, the undersigned stenographer, certify that the foregoing is a faithful reproduction of my short-hand notes.

PAUL WIALARD.

OTTAWA, 8th March, 1877.

PHILIPPE ELISÉE PANNETON, residing at Three Rivers, being duly sworn, deposeseth and saith:—

I am an Advocate, Deputy Prothonotary of the Superior Court of the District of Three Rivers, and Deputy Clerk of the Crown.

Q. Produce the books, rolls of cases, registers, books of entry, documents, &c., which were called for by the subpoena you received?—I produce them.

(Examination adjourned to to-morrow, 9th inst.)

9th March, inst.—Examination of witness resumed, as follows:—

Q. Have you prepared a statement of the days of Court held by Judge Loranger, from the 1st February, 1873, to the 1st October of the same year?—Yes.

Q. Produce it?—Here it is.

Q. In that statement you have the following entry: "*Other Term of June, 1873, adjourned from the 11th of the same month to the 16th, 17th, 18th, 19th, 20th and 21st.*" Beneath that entry you have written, "*18th, rendered several judgments, one day.*" Does that mean that Judge Loranger sat on the 16th, the 17th, the 18th, the 19th, the 20th and the 21st; or does it not mean that, by the registers, it appears that he sat only on the 18th, for the judgments he rendered under date of that day, and which are recorded thereon?—It means that it appears by the registers that he sat on the 18th and rendered several judgments.

Q. Do you remember that after the adjournment of the 11th June, the Judge left Three Rivers?—I am under the impression that on the 12th or 13th the Judge made a trip to Quebec.

Q. Do you not remember that at that time Judge Loranger was at Three Rivers in order to take the place of Judge Polette?—Judge Loranger came to assist Judge Polette, who was to go and sit in the Court of Appeal.

Q. Do you remember whether there were many cases?—As many as we generally have, that is to say, a good many.

Q. Do you remember that any member of the Bar manifested some disappointment that Judge Loranger had left without holding the days of Court appointed from the 11th to the 18th?—From the 11th to the 16th there was an adjournment.

Q. I ask you whether, to your knowledge, the Bar manifested any dissatisfaction because the Judge did not afford the Bar a few days more?—I have no recollection of that, but I think I remember that on the day of the adjournment the Judge was absent,—he must have been absent one day,—and I remember that I was questioned about it; I answered that he was absent.

Q. You swear that one of the members of the Bar did not manifest dissatisfaction at the absence of the Judge?—I do remember that a member of the Bar asked me that, and that I answered what I have just told you, that he was absent.

Q. Do you remember that any of the members of the Bar complained, in your presence, of the fact that Judge Loranger had been obliged to leave the District?—Not to my knowledge.

Q. So that by your table it appears that in the period above mentioned the Judge held in all eleven days of Court, whether in the Circuit or Superior Court, at Three Rivers?—From the entries in the registers and minute book I find but those eleven days.

Q. Is it not true that your registers and your books are kept with great accuracy?—I discharge my duty to the best of my ability.

Q. Has that table been produced?—I produced it; you asked me for it at the beginning.

(It is endorsed Exhibit Z, 2.)

Q. Now, be pleased to tell us the hours of the steamboat between Three Rivers and Sorel?—The boat from Quebec for Sorel leaves Three Rivers between ten o'clock and midnight. It happens, sometimes, that the boat leaves after midnight, but generally it is between ten and eleven o'clock.

Q. How long does it take to go from Three Rivers to Sorel by the boat?—About three hours or three hours and a half.

Q. Every day except Sunday?—Yes.

Q. Now, to go from Sorel to Three Rivers?—You leave Sorel about ten or half past ten, and you arrive about half past twelve or one o'clock in the morning.

(Adjourned to to-morrow.)

10th March.

Examination of witness resumed:—

Cross-examined:—

Q. Do you remember that on the 10th June, 1873, the first day on which I held the Court was the day on which the funeral procession of Sir George Cartier passed Three Rivers?—Yes.

Q. Do you remember that the Judge held the Court on that day as well as on the day after the 11th?—I have stated so in my certificate.

Q. Do you remember that the 12th was a holiday, Ascension Day?—It was a holiday or Sunday, for the the reason that the Court was to sit on the 11th, and the Court was not held two days running, because the 12th was not fixed as a Court day.

Q. Do you know that the Judge was at Three Rivers?—I know it; and there is one fact which brings it to my recollection. It is that I went out in a carriage with the Judge.

Q. Do you recollect that that Term which the Judge was going to preside over had been at first fixed for the 10th, 11th, 13th and 14th by Judge Polotte?—There were three days appointed, the 10th, 11th and 13th.

Q. Do you recollect that the advocates of Three Rivers went to the funeral of Sir George Cartier, which took place on Friday, the 13th, at Montreal; and that that was the reason for which we adjourned to a subsequent day?—I recollect that the bâtonnier and several advocates, as well as representatives from the Corporation, went up to Montreal to attend the funeral of Sir George Cartier; and that there was an understanding between the Judge and the Bar to suspend the Term and to adjourn it to the 16th, 17th, 18th, 19th, 20th and 21st, as I have stated in my certificate.

Q. Do you know that on the evening of the holiday I left to go to Quebec?—I cannot say whether it was the 12th or the 13th, but I know that it was one of those two days.

Q. Do you know that during that term the case of Larivière vs. Bussière, an appealable redhibitory action, was pleaded?—Yes.

Q. Do you recollect that in pleading the case one of the advocates cited a judgment rendered at Quebec, and which had not been reported anywhere?—I cannot say; I know that the case was a very important one, and that there were many authorities cited; I do not recollect whether the judgment you refer to was cited.

Q. Do you recollect that on one of the days of the week following I went to the Clerk's office to ascertain whether there was any business for which to hold the Court, and I was told that there was none?—Yes.

Q. Do you recollect whether that was previous to the day on which I rendered judgments?—I think so, but I cannot state exactly whether it was before or after.

Q. Please state who asked you for a statement of the days of Court which Judge Loranger had held in your district?—I have handed in a certificate signed, and produced before this Committee.

Apart from that Mr. Germain came to ask me for a statement, when he came I had not the time to give him the details which he asked for. He returned to Sorel, and wrote me, asking whether that statement had been made out. I gave orders to my clerk to draw it up; I did not believe that I was warranted in doing it, and I thought that it was only the Government who had the right to ask for such a report; I told him all that in a letter which I wrote to him. I did not sign that table which he got, and it was not I who made the searches for the said table.

Re-examined :—

Q. You have just said you cannot swear positively, whether it was on one of the days which preceded the 18th June, that Judge Loranger presented himself at the clerk's office to ask you whether there was any business?—I cannot swear to it positively.

Q. It might be either before or after?—I believe it was before, but I cannot swear to it.

P. E. PANNETON.

OTTAWA, 12th March. 1877.

EXHIBIT "Z" 2.

Table of the days of the Superior and Circuit Courts held by the Hon. Mr. Justice Loranger at Three Rivers, from the 1st February, 1873, to the 1st October, 1873.

1873—March and April Term :

	The 26, 27, 28, 29, 31 March, and the 1, 2, April... 7 days
"	June Term (special) :
	Fixed by adjournment from the month of April.
	The 10, 11..... 2 "
"	June Term, adjourned from the 11th of the same month
	to the 16, 17, 18, 19, 20, 21.
	The 18 (several judgments rendered) 1 "
"	September Term :
	The 10 (judgments rendered)..... 1 "

The petitioners, in order to hasten matters and avoid costs, waive the right to make proof of the facts alleged in the 6th and 12th paragraphs of their petition, being the 5th and 9th heads of charges there set forth, and declare their *enquête* closed, reserving to themselves the right to make and produce hereafter and in rebuttal, all confirmative evidence, and evidence which the *enquête* with which the Hon. Mr. Justice Loranger may proceed, might necessitate.

And the said petitioners respectfully pray that the earliest possible day be fixed for the *enquête* of the said Hon. Judge, and that a list of the witnesses and evidence which the said Hon. Judge intends to bring forward in his *enquête* be furnished to the said petitioners between this day and the 12th day of March, instant, at ten o'clock in the forenoon.

J. B. BROUSSEAU,
Attorney for Petitioners.

OTTAWA, 10th March, 1877.

STATEMENT

OF ACCOUNTS filed by *John Langton*, Esq., Auditor of the Dominion of Canada, as mentioned in his evidence, given before this Committee.

(True Copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, DR.

FOR TRAVELLING EXPENSES.

1867.

From 1st of July to 12th, 12 days absence to hold the Superior and Circuit Courts in the District of Arthabaska, and the Circuit Court of Inverness, at \$6.00 per day	\$72 00
From 13th to 15th, 3 days to attend an adjourned Term in Joliette ...	18 00
From 24th to 26th, three days to attend an adjourned Term in St. François	18 00
	\$108 00

I certify the correctness of the above account.

(Signed,)

T. J. J. LORANGER,
J. S. C.

OTTAWA, 4th September, 1867.

(True Copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, DR.

1867.

From 1st to 10th September—To attendance at the Court of Appeals, in Montreal, as Judge <i>ad hoc</i> , during the whole Term	\$100 00
From 12th to 20th September—Do. at the Court of Appeals, in Quebec, as Judge <i>ad hoc</i> , during the whole Term.....	100 00
	\$200 00

I certify the correctness of the above account.

(Signed,)

T. J. J. LORANGER,
J. S. C.

MONTREAL, 28th Sept., 1867.

(True Copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, DR.

1867.

From 21st September to 24th, both days inclusive, 4 days' absence, concerning cases in which I sat in Revision Court, in Montreal	\$24 00
---	---------

1867.

From 25th to 29th of same month, five days' absence, to attend Circuit Court, in L'Assomption	30 00
From 30th of same month to 2nd of October, three days' absence, concerning cases in the Revision Court in Montreal	18 00
From the 5th of October to the 23rd, to nineteen days' absence, to attend Circuit, Superior and Criminal Courts (Court of Queen's Bench), in Joliette	114 00
From 24th to 30th October, five days' absence, to hold Circuit Court, in Berthier	30 00
From 2nd to 4th of November, three days' absence, to hold Circuit Court, at St. Francois du Lac.....	18 00
	\$234 00

I certify the correctness of the above account.

(Signed) T. J. J. LORANGER,
J. S. C.

SOREL, 1st November, 1867.

(True Copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, DR.

1867.

Dec.—To attendance at the Court of Appeals as Judge <i>ad hoc</i> , from the 1st to the 10th December, being the whole Term, \$100 being the fee according to Order in Council.....	\$100 00
To attendance at the same Court in Quebec as Judge <i>ad hoc</i> , from the 12th to the 20th of same month, being also the whole Term	100 00
	\$200 00

I certify the correctness of the above account.

(Signed) T. J. J. LORANGER,
J. S. C.

SOREL, 27th December, 1876.

(True Copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, DR.

TRAVELLING EXPENSES.

1868.

Jan.—From 20th to 24th, five days' absence to attend Berthier Circuit Court, in consequence of a new proclamation having assigned different days for the holding of that Court, at \$6 per day.....	\$ 30 00
26th to 29th of January, four days' absence to attend L'Assomption Circuit Court	24 00

Feb.—From 31st of January to 4th of February, five days' absence to attend St. Julienne Circuit Court.....	30 00
5th to 8th of February, four days, to attend a special Term in Berthier	24 00
9th to 22nd of February, fourteen days, to attend Circuit and Superior Courts in Joliette.....	84 00
23rd to 25th February, three days, to attend St. François Circuit Court.....	18 00
On the 26th February, one day, to pronounce judgment and hear cases in Berthier, such attendance being necessary on account of cases having been inscribed for that day previous to proclamation changing Terms.....	6 00
From 27th to 29th February, three days' absence to attend Court of Appeals in Montreal on the 29th of February, being a day specially fixed to render judgments.....	18 00
	\$234 00

I certify the correctness of the above account.

(Signed,) T. J. J. LORANGER,
J. S. C.

SOREL, 6th March, 1868.

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, DR.

To fee for attendance during the whole Term of the Court of Appeals held in Quebec, from the 12th to the 19th day of March, 1868. \$100 00

I certify the correctness of the above account.

(Signed,) T. J. J. LORANGER,
J. S. C.

SOREL, 24th March, 1868.

(True Copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, DR.

TRAVELLING EXPENSES.

1868.

March—To attendance during the term of the Court of Appeals in Montreal as Judge <i>ad hoc</i> , as per order in Council.....	\$100 00
June—To attendance at the same Court, June term in Montreal.....	100 00
To attendance at the same Court, in Quebec, June Term.....	100 00
May 20, 22, 23—To attendance at Berthier to hold Circuit Court at \$6 per day, (per diem) three days.....	18 00
From 24th to 29th, both days included, six days' absence to hold L'Assomption Circuit Court.....	36 00

1868.

June 10th, 11th—To attendance at St. François Circuit Court, two days' absence	12 00
July—From 21st June to 10th July, both days inclusive, to attend Joliette Circuit Superior and Queen's Bench, 20 days.....	120 00

\$486 00

I certify the correctness of the above account.

(Signed,)

T. J. J. LORANGER,
J. S. C.

SOREL, 13th July, 1868.

(True Copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, DR.

1868—To attendance during the September term of the Court of Appeal in Montreal as Judge <i>ad hoc</i>	\$100 00
do do do in Quebec	100 00

\$200.00

I certify the correctness of the above account.

(Signed,)

T. J. J. LORANGER,
J. S. C.

SOREL, 25th September, 1868.

(True Copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, DR.

FOR TRAVELLING EXPENSES.

1868.

August 25, 26, 27—To three days' absence at Joliette, on Ministerial business necessitating the Judge's presence, at \$6 per day.....	\$ 18 00
Sept. 10 and 11—To two days absence at Joliette to hold Superior and Circuit Courts—Special Term.....	12 00
From 21st to 26th, both days inclusive, to six days' absence to hold Berthier Circuit Court.....	36 00
Oct. 9—To one day's absence to render judgments at Berthier	6 00
From 11th to 24th, both days' inclusive, to 14 days to hold Superior and Circuit Courts—Regular Term—at Joliette.....	84 00
From 25th to 29th, both days inclusive, five days to hold L'Assomption Circuit Court.....	30 00
Nov.—From 1st to 3rd, both days inclusive, three days to hold St. Julienne Circuit Court.....	18 00
4th, 5th, 7th, three days' absence to hold St. François Circuit Court...	18 00

Nov.—From 15th to 21st, to seven days' absence, to hold Joliette Criminal Term	42 00
44 days in all.....	\$264 00

I certify the correctness of the above account.

(Signed,) T. J. J. LORANGER,
J. S. C.

SOREL, 27th November, 1868.

(True Copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, DR.

1868.

Dec.—To attendance as Judge <i>ad hoc</i> of the Court of Queen's Bench—Ap- peal side—during the whole December Term, in Montreal.....	\$100 00
do do do in Quebec.....	100 00
	200 00

I certify the correctness of the above account.

(Signed,) T. J. J. LORANGER,
J. S. C.

SOREL, 24th December, 1868.

(True Copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, DR.

FOR TRAVELLING EXPENSES.

1869.

From January 20th to March 1st., To 39 days' absence to hold the Circuit Courts Berthier, (Regular Term); L'Assomption Circuit Court; Court of Queen's Bench, Joliette, (Special Term). The Circuit Court at Berthier for the rendering of judgments, and Circuit and Superior Courts, at Joliette, at \$6 per day.....	\$234 00
---	----------

I certify to the correctness of the above account.

(Signed,) T. J. J. LORANGER,
J. S. C.

MONTREAL, March 2nd, 1869.

(True copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, DR.

FOR TRAVELLING EXPENSES.

1869.

May—To 8 days' absence to hold Berthier and L'Assumption Circuit Courts, at \$6 per diem.....	\$48 00
June—To 13 days to hold Joliette Circuit Court and part of Superior Court.....	78 00
July—To 7 days to hold remaining part of Superior Court and Criminal Courts	42 00
Sept.—To 8 days to hold an adjourned term of Criminal Court, at Joliette and Berthier Circuit Courts.....	48 00
In all, 36 days.....	<u>\$216 00</u>

I certify the correctness of the above account.

(Signed,) T. J. J. LORANGER,
J. S. C.

SOREL, 26th September, 1869.

Warrant certified, 28th September, 1869.—J. S.

(True Copy.)

THE FEDERAL GOVERNMENT

To JUDGE LORANGER, DR.

FOR TRAVELLING EXPENSES—COURT OF QUEEN'S BENCH, CRIMINAL SIDE, SUPERIOR AND CIRCUIT COURTS.

1869.

Oct. 8.—One day's absence to render judgments at Berthier Circuit Court... \$	6 00
From 9th to 23rd—15 days to attend Joliette Superior and Circuit Courts.....	90 00
From 25th to 28th—4 days to attend L'Assomption Circuit Court...	24 00
Nov. 1st to 3rd—3 days to attend Ste. Julienne Circuit Court.....	18 00
From 4th to 7th—3 days to attend St. François Circuit Court.....	18 00
From 14th to 20th—7 days to attend Court of Queen's Bench, criminal side, at Joliette	42 00
In all 33 days.....	<u>\$198 00</u>

I certify the correctness of the above account.

(Signed,) T. J. J. LORANGER,
J. S. C.

SOREL, 28th Dec., 1869.

(True Copy.)

THE FEDERAL GOVERNMENT

To JUDGE LORANGER, DR.

FOR TRAVELLING EXPENSES—COURT OF QUEEN'S BENCH—APPEAL SIDE, FOR
THE YEAR 1869.

1869.

1st of March to 9th—Appeal—To attendance during the whole term of March, at Montreal, as Judge, <i>ad hoc</i>	\$100 00
10th to 15—Appeal—6 days' absence to attend March term at Quebec, same court, at \$6.....	36 00
May—From 24th to 31st—Appeal—To attendance during the whole special Term of same court in Montreal	100 00
June 1st to 9th—Appeal—To attendance during the whole regular Term in May, Montreal.....	100 00
June 12th to 20th—Appeal—To attendance during the whole Term at Quebec	100 00
Sept. 1st to 9th—Appeal—To attendance during the whole Term at Montreal	100 00
Sept. 12th to 20th—Appeal—To attendance during the whole Term in Quebec	100 00
Dec. 1st to 9th—Appeal—To attendance during the whole Term in Montreal	100 00
	\$736 00

I certify the correctness of the above account.

(Signed), T. J. J. LORANGER,
J. S. C.

(True Copy.)

THE FEDERAL GOVERNMENT

To JUDGE LORANGER, DR.

1870.

January and February—To 35 days' absence to attend Berthier, L'Assomp- tion, Ste. Julienne and St. François Circuit Courts, and Joliette Circuit and Superior Courts, at \$6 per day.....	\$210 00
March—From 1st to 9th—To attendance as Judge <i>ad hoc</i> , during the Term of the Court of Queen's Bench at Montreal—Appeal side.....	100 00
March—12th to 20th—To attendance as Judge <i>ad hoc</i> , during the Term of the Court of Queen's Bench at Quebec, March Term.....	100 00
June 1st to 10th—To attendance as Judge <i>ad hoc</i> , during the Term of the Court of Queen's Bench at Montreal, June Term.....	100 00
June 12th to 20th—To attendance as Judge <i>ad hoc</i> , during the Term of the Court of Queen's Bench at Queen's, June Term	100 00
	\$610 00

I certify the correctness of the above account.

(Signed), T. J. J. LORANGER,
J. S. C.

SOREL, 21st June, 1870.

(True Copy.)

THE FEDERAL GOVERNMENT

To JUDGE LORANGER, DR.

FOR TRAVELLING EXPENSES.

1870.

From May 3rd to May 6th—4 days absence to attend Court of Revision in Quebec, at \$6 per day.....	\$ 24 00
From 20th to 31st May—10 days to attend Berthier and L'Assomption Circuit Courts and Court of Appeals in Montreal, special Term.....	60 00
June 10th and 11th—2 days to attend Berthier Circuit Court, special Term .	12 00
From 21st of June to 11th of July—21 days to attend Joliette Circuit and Superior Courts and Court of Queen's Bench, criminal side....	126 00
	<u>\$222 00</u>

I certify the correctness of the above account.

(Signed,) T. J. J. LORANGER,
J. S. C.

SOREL, 20th July, 1870.

(True Copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, DR.

1870.

September.—To attendance Court of Appeals, Montreal, during the whole Term.....	\$100 00
To do. in Quebec.....	100 00
From 1st to 27th.—To five days' attendance at Berthier Circuit Court, for holding regular Term, at \$6 per day.....	30 00
Oct. 8th.—To attendance one day, at Berthier, for rendering of judgments.	6 00
From 9th of October, to 7th of November.—Twenty-eight days' absence, to attend Joliette Superior and Circuit Courts; L'Assomption Circuit Court; Ste. Julienne Circuit Court and Ste. François du Lac Circuit Court.....	168 00
From November 14th to 18th.—To five days' absence, to hold Joliette Criminal Term.....	30 00
From December 1st to 10th.—To attendance Court of Appeals, at Montreal, December Term	100 00
	<u>\$534 00</u>

I certify the correctness of the above account,

(Signed,) T. J. J. LORANGER,
J. S. C.

SOREL, 24th December, 1870.

(True Copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, Dr.

1871.

From 21st January to 28th February.—To thirty-four days' absence, at different intervals, to hold Superior Court, at Joliette, and Circuit Court at same place, of Joliette, Berthier, L'Assomption, Ste. Julienne and St. François du Lac, at \$6 per day \$204 00

I certify the correctness of the above account,

(Signed,)

T. J. J. LORANGER,
J. S. C.

(True Copy.)

THE FEDERAL GOVERNMENT,

To JUDGE LORANGER, Dr.

To attendance as Judge *ad hoc*, during the Appeal Term of the Court of Queen's Bench, in March last (1871) \$100 00

I certify the correctness of the above account,

(Signed,)

T. J. J. LORANGER,
J. S. C.

MONTREAL, 24th June, 1871.

Does not say whether Quebec or Montreal.—A. C.

(True Copy.)

THE GOVERNMENT OF CANADA,

To the Hon. Mr. Justice LORANGER,
Superior Court, Province of Quebec.

TRAVELLING ALLOWANCES.

To attendance at the following Courts other than at his place of residence :

1872—May to July.

Berthier Circuit, 4 days at \$6 per day.....	\$ 24 00
St. François Circuit, 6 days at \$6 per day.....	36 00
L'Assomption Circuit, 7 days at \$6 per day.....	42 00
St. Julienne Circuit, 4 days at \$6 per day.....	24 00
Joliette Circuit and Superior, 14 days.....	84 00
Joliette Criminal Court, July Term.....	100 00
	<hr/>
	310 00

I certify that I am entitled to claim the travelling allowances for the number of days charged in the preceding account.

(Signed,)

T. J. J. LORANGER,
Judge Superior Court, Province of Quebec.

October 1st 1872.

October 1st, 1872.

Judge Loranger begs to remark that besides the regular Term for St. François and L'Assomption he has held a special Term for St. François and delivered judgments at L'Assomption out of the regular Term, necessitating three days' absence.

(Signed,) T. J. J. L.

(True Copy.)

THE GOVERNMENT OF CANADA,

To the Hon. Mr. Justice LORANGER,
Superior Court, Province of Quebec.

TRAVELLING ALLOWANCES.

To attendance at the following Courts other than at his place of residence :

1872.—

September—From 20th to 28th, Berthier Circuit Court, 5 days at \$6 per day	\$ 30 00
From 9th Sept. to 23rd Oct., Joliette Circuit and Superior Courts, 18 days at \$6 per day.....	108 00
From 25th Oct. to 3rd Nov., L'Assomption and St. Julienne Circuit Courts, 9 days at \$6 per day.....	54 00
November—From 15th—Joliette Queen's Bench, Criminal side, one Term...	100 00
	\$292 00

I certify that I am entitled to claim the travelling allowances for the number of days charged in the preceding account.

(Signed,) T. J. J. LORANGER,
Judge Superior Court, Province of Quebec.

(True Copy.)

THE GOVERNMENT OF CANADA,

To the Hon. Mr. Justice LORANGER,
Superior Court, Province of Quebec.

TRAVELLING ALLOWANCES.

To attendance at the following Courts:

1872.—

From December 15th to February 24th, 1873, Circuit Courts, L'Assomption, Berthier, St. Julienne, St. François, Joliette, 28 days at \$6 per day.... \$168 00

1873.—

Superior Court, Joliette, 8 days at \$6 per day.....	48 00
	\$216 00

I certify that I am entitled to claim the travelling allowances for the number of days charged in the preceding account,

(Signed,) T. J. J. LORANGER,
Judge Superior Court, Province of Québec.

SOBEL, 25th February, 1872.

(True Copy.)

THE GOVERNMENT OF CANADA,

To the Hon. Mr. Justice LORANGER,
Superior Court, Province of Quebec.

TRAVELLING ALLOWANCES.

To attendance at the following Courts, other than at his place of residence:—

From March 24th to April 5th.	
Three Rivers Superior and Circuit Courts, 22 days at \$6 per day....	\$132 00
From May 20th to June 21st.	
Berthier, l'Assomption, Ste. Julienne Circuits, 13 days at \$6 per day..	78 00
From June 22nd to July 10th.	
St. Francis and Joliette Superior and Circuit, 22 days at \$6 per day..	132 00
To Attendance at the Criminal Court at Joliette, July Term during the whole Term, being the July Term of the Court of Queen's Bench, Criminal side.....	100 00
	\$442 00

I certify that I am entitled to claim the travelling allowances for the number of days charged in the preceding account.

(Signed,) T. J. J. LORANGER,
Judge Superior Court, Province of Quebec.

(True Copy.)

THE GOVERNMENT OF CANADA,

To the Hon. Mr. Justice LORANGER,
Superior Court, Province of Quebec.

TRAVELLING ALLOWANCES.

To attendance at the following Courts other than at his place of residence:—

September, 1873.	
Joliette Superior Court, 8 days at \$6 per day.....	\$48 00
September, 1873, and February, 1874.	
Berthier Circuit Court, 10 days at \$6 per day.....	60 00
November, 1873, and February, 1874.	
St. François Circuit Court, 8 days at \$6 per day.....	48 00
September, 1873.	
Three Rivers Superior Court, 4 days at \$6 per day	24 00
	\$180 00

I certify that I am entitled to claim the travelling allowances for the number of days charged in the preceding account.

(Signed,) T. J. J. LORANGER,
Judge Superior Court, Province of Quebec.

SOREL, 9th April, 1874.

(True Copy.)

THE GOVERNMENT OF CANADA,

To the Hon. Mr. Justice LORANGER,
Superior Court, Province of Quebec.

TRAVELLING ALLOWANCES.

To attendance at the following Courts, other than at his place of residence:—	
To additional salary as Assistant Judge of the Court of Queen's Bench, from the 15th of December, 1873, to 1st of January, 1874, being 17 days at \$2.74 per day, proportion on \$1,000, being the excess of salary of a Judge of Queen's Bench over a Judge of Superior Court.....	\$ 46 58
To do from the 5th of March to 1st of May, 1874, being 57 days at \$2.74 per day.....	156 18
To attendance at the Court of Queen's Bench, Appeal side, at Montreal, during the whole of the December Term, 1873.....	100 00
To do at Québec, during the whole of the March Term, 1874.....	100 00
To do at Montreal, during the whole of the March Term, 1874.....	100 00
	<hr/>
	\$502 76
Deduct	202 76
	<hr/>
	\$300 00

I certify that I am entitled to claim the travelling allowances for the number of days charged in the preceding account, and the extra salary charged therein.

(Signed,) T. J. J. LORANGER,
Judge Superior Court, Province of Quebec.

(True Copy.)

THE GOVERNMENT OF CANADA,

To the Hon. Mr. Justice LORANGER,
Superior Court, Province of Quebec.

TRAVELLING ALLOWANCES.

To attendance at the following Courts, other than at his place of residence:—	
Berthier Circuit Court, May and September, seven days at \$6 per day.....	\$42 00
St. François do do do.....	42 00
To attendance at the Court of Queen's Bench, appeal side, at Montreal during the whole of the June Term, 1874, at \$100.....	100 00
To attendance at the Court of Queen's Bench, appeal side, at Montreal for the part of a Term, or for the purpose of disposing of cases already heard (three days at least being allowed) in September Term, three days at \$6 per day.....	18 00
	<hr/>
	\$202 00

I certify that I am entitled to claim the travelling allowances for the number of days charged in the preceding account.

(Signed,) T. J. J. LORANGER,
Judge Superior Court, Province of Quebec.

(True copy.)

THE GOVERNMENT OF CANADA,

To the Hon. Mr. Justice LORANGER,
Superior Court, Province of Quebec.

TRAVELLING ALLOWANCES.

To attendance at the following Courts other than at his place of residence :—

1874.			
Nov.—4 days	}	Berthier, fourteen days at \$6 per day.....	\$84 00
1875.			
Feb.—3 days			
March—1 day			
May—3 days			
June—3 days	}	St. François, eleven days at \$6 per day.....	66 00
1874.			
Dec.—3 days			
1875.			
Feb.—3 days			
May—4 days	}	Riviere du Loup, 3 days at \$6 per day.....	18 00
June—			
1874.			
Dec.	6—	To attendance at the Court of Queen's Bench, appeal side, at	
March	5	Montreal for the part of a term, fourteen days at \$6 per day,	84 00
June	3		
			<u>\$252 00</u>
	14		

I certify that I am entitled to claim the travelling allowances for the number of days charged in the preceding account.

(Signed,) T. J. J. LORANGER,
Judge Superior Court, Province of Quebec.

THE GOVERNMENT OF CANADA,

To the Hon. Mr. Justice LORANGER,
Superior Court, Province of Quebec.

1875.

TRAVELLING ALLOWANCES.

July—To attendance at the following Courts other than at his place of residence :—

	Berthier Circuit Court, three days at \$6 per day.....	18 00
	St. François, regular and continued term, five days at \$6 per day....	30 00
Sept.—	To attendance at the Court of Queen's Bench, appeal side, at Montreal, for the part of a term, or for the purpose of disposing of cases already heard (three days at least being allowed) three days at \$6 per day.....	18 00
		<u>\$66 00</u>

I certify that I am entitled to claim the travelling allowances for the number of days charged in the preceding account.

(Signed,) T. J. J. LORANGER,
Judge Superior Court, Province of Quebec.

(Translation.)

THE GOVERNMENT OF CANADA,

To JUDGE LORANGER, DR.
SOREL, Q.

TRAVELLING ALLOWANCES.

1875.			
Noyember	—3	days' absence to hold the Circuit Court at Berthier, at \$6.....	\$18 00
December	—5	“ to hold the Superior and Circuit Courts at Three Rivers.....	30 00
		3 days' absence to hold the Circuit Court at St. François du Lac	18 00
1876.			
May	—5	days' absence to hold the Circuit Court at Berthier.....	30 00
June	—4	“ to hold the Circuit Court at St. François du Lac	24 00
	4	“ at Berthier, Circuit Court	24 00
September	—4	“ to hold the Circuit Court at Berthier.....	24 00
	3	“ to hold the Circuit Court at St. François du Lac	18 00
			<u>\$186 00</u>

I certify the correctness of the above account.

(Signed,)

T. J. J. LORANGER,

J. S. C.

SOREL, 3rd October, 1876.

EVIDENCE

ON BEHALF OF THE HONOURABLE MR. JUSTICE THOMAS JEAN
JACQUES LORANGER.

(Translation.)

MICHEL MATHIEU, Advocate, Sorel, being duly sworn deposeseth and saith:—

Q. You are an advocate?—Yes.

Q. How many years have you been so?—Since 1865, but I have not practised all the time; I was appointed Sheriff in 1866, and I did not recommence practising until 1872.

Q. You were plaintiff in the two cases against Mr. J. B. Brousseau, cases No. 1,322 and No. 1,332?—Yes.

Q. Please tell the Committee what were the proceedings which took place respecting those cases before the *enquête*, at the *enquête*, and after judgment?—I suppose the Committee have no objection to my referring to the records.

(Chairman's reply.) Quite the contrary. (The witness examines the records).—Those two cases were inscribed for *enquête*, and for hearing on the merits at the same time.

Q. Upon what were they based?—On promissory notes.

Q. Was there any contestation?—Yes; at the time of the appeal of those cases, seeing that I thought the contestation was not serious, I confined myself to praying for judgment.

Q. Please tell us what took place at the time of the inscription for *enquête*? Your case was inscribed, your *enquête* closed, that of the defendant fixed? Please look at the roll (the witness examines the roll, which is submitted to him by the Honorable Mr. Justice Loranger); you had previously declared your *enquête* closed?—Yes, I think so, and the cases were put over to the following term.

Q. (Put by the Chairman) On what day was your *enquête* declared to be closed?—The 17th May, 1873.

Q. And the cases were continued to the following term for the defendant's *enquête*?—Yes.

Q. The following term was in October, 1873?—It is so long ago that I do not accurately recollect the dates; but I see that the roll shows that it was in October, and I think it is correct.

Q. What took place on that day?—On that day the cases were called; I was in court, as was likewise the defendant; I rose to pray judgment, and inasmuch as the cases were upon promissory notes I made no argument. When the cases were called the Judge addressed himself to the defendant, who was in his seat and habited. Then the defendant rose, making a sign that he was going to let the case go, and stating he had nothing to say. I do not recollect whether he said anything else, but I do recollect perfectly that on rising he said, "I have nothing to say."

I gave my affidavit in review, in which I swore as follows:—That I recollected having distinctly heard Mr. Brousseau declare in substance that he had no proof to make, and to have heard him distinctly pronounce the words, "I submit the case." All this is recorded in the affidavit which I gave in review.

Q. You refer to that affidavit as being the expression of your remembrance at the time?—I know that I recollected perfectly the facts at the time. That took place in the month of November following, and was strongly imprinted on my memory.

Q. Then that affidavit was true?—Yes.

Q. Although the defendant had an advocate, he conducted his own cases himself?—Yes. I think the pleas were to the best of my knowledge written in his own handwriting. The appearance is in his handwriting, the signature of Mr. Rainville is also in his handwriting (in the handwriting of the defendant); the defense was not in his writing; the inscription in review was also in his writing. He conducted his cases himself.

By the Chairman:—

Q. You appeared in person in the two cases?—Yes, I was in partnership with Mr. Gill at that time, but it was I personally who conducted the two cases.

Q. Please tell us what next took place?—Judgment was rendered; the defendant inscribed his cases for review. In review he made a motion of which I recollect the substance; it was in order that the record might be sent back to the Prothonotary's office; he alleged that the record had been altered since the inscription of his cases for review, and he requested that it should be sent back to the court below, there to be restored to its original condition; that was the purport of his motion. I then gave the counter-affidavit which I have just referred to, and the Court of Review rejected the motion of the defendant. I cannot recollect exactly the remarks of the learned judges, but the purport.....

(Objected on behalf of the petitioners, as regards the witness continuing his answer concerning what the Judges said, when rejecting the motion of the defendant, in the cases *Mathieu vs. Brousseau*. Objection maintained.)

Q. The motion was, however, rejected?—Yes.

Q. Please tell us what took place to your knowledge in connection with those entries—in connection with that erasure of entries at the *enquête*?—I had no knowledge of that

Q. Please state whether you did at any time speak to Judge Loranger about those entries; if you ever asked him to strike out anything?—We never talked together about it, except that we spoke about it after the petition which was presented to the Government was made.

Q. And before that petition?—I am positive that we never spoke about it before I had learned that that erasure had been mentioned in the petition.

Q. So you have no knowledge of the change which took place in the register?—No.

Q. Now, Mr. Mathieu, you practise as an advocate; you know the practice with respect to those books, and with respect to the roll of *enquête*, and to the entries which the Judge made? Is it not true that the Judge keeps that book for the accommodation of the parties, who refer rather to the Judge than to the Clerk for the entries that are made there?—I have always understood that that roll was kept by the Judge for the Clerk; it is not as in certain districts where there are two rolls, one of which is kept by the Clerk and the other by the Judge; but in the District of Richelieu, the Judge takes the roll and enters therein the proceedings which he should put there.

Q. For what purpose do you think the Judge puts his notes in it; is it for the guidance of the Clerk or otherwise?—It is in order to guide the clerk, when there is a *délibéré* or a judgment, in the transcript which he has afterwards to make of the judgment.

Q. Is that roll the journal (*procès verbal*) of what passes in the Court?—I understand that the rolls are to help the memory—to assist in ascertaining what was done in Court.

Q. Is it not from this roll that the Clerk transcribes the proceedings which took place?—I think so.

Q. Do you consider that those notes are the authentic notes of the proceedings, or that they are only notes to help the Clerk?—(Objection taken to the question on behalf of the petitioners. Objection set aside.) The notes of the roll cannot be considered as forming an authentic document, inasmuch as they are often changed. I have already seen Judges alter the entries which had been made the evening before.

Q. Now, with respect to the practice, is it not to your knowledge that those entries made by the Judge are often changed when they are erroneous?—Have you not often seen that when the Judge discovers an error, that error is corrected?—Yes.

Q. In districts where there are two rolls, as at Montreal for example, where the Clerk keeps one and the Judge keeps the other,—you have seen that occur?—I know that it is so in the Court of Review, and I think in the Superior Court, in Montreal; the Judge has his list of cases, his roll, and the Clerk has his.

Q. (Put by the Chairman.) It is the sheet of hearing (*la feuille d'audience*) the Judges have before them,—it is not the authentic roll?—I know that at Montreal there are two rolls, that is all I can say.

Q. You are not, perhaps, sufficiently well acquainted with the practice at Montreal, to know whether any changes are made in those rolls by the Judges?—I saw, during the term before last, or one of the last terms, Judge McKay, I think, alter an entry which he had made in the morning. I think that it was in the afternoon that that change was made, so far as I can recollect.

Q. (Put by the chairman.) Were the advocates present?—I think it was upon a remark made by the advocates; I cannot state exactly when it was made; I think that it was in the afternoon, or some hours after; one of the advocates having made a remark,—I think that it was Mr. Keller, Advocate,—the Judge made a change in the entry which he had made in the morning.

Q. Now with respect to the “slips.” Do you consider the note which the Judge writes on the back of those slips to be a judgment? Or, is it not rather a simple memorandum to guide the Clerk in the drawing up of the judgment which he subsequently prepares?—I find often that those slips differ from the judgments; I should then consider that they are notes which the Judge puts down to assist the Clerk in the preparation of the judgment; I know that those slips often differ from the judgment, not only at Sorel, but also at Montreal.

Q. The entry of proceedings at *enquête* and hearing, made on the roll by the Judge, being the sole entry in writing, if the Judge discovers an error therein, and does not correct it in that same book, do you see how it could be corrected in any other way?—(Objection taken to the question on behalf of the petitioners. Objection set aside.) I think that the Judge should correct it in that book.

Q. Is it not requisite that the entry should be corrected in the book if any mistake has been made in it, if it is desired that the Clerk should send a faithful transcript of the proceedings in Appeal or in Review?—Yes, I see nothing else but that book to guide the Clerk.

Q. In those two cases do you know of any imaginable interest which Judge Loranger might have, which could have disposed him to do an act which he did not believe to be strictly legitimate and obligatory?—No; I think, on the contrary, that he was bound not to allow one of the parties to suffer from an entry which might not have been regularly made.

Q. Suppose that the transcript only contained the entry of these letters “P. O. C. A. V.,” that the *enquête* had been declared duly closed, and that the plaintiff should fear that the failure to mention that closing of *enquête* by the defendant would be injurious to him,—do you think, or do you not think, that it was his right as plaintiff to insist that the transcript should make mention of the closing of *enquête*, and that without that he would have suffered in his rights?—I do not think that in a case inscribed for *enquête* and hearing on the merits, it is necessary that there should be a formal closing of *enquête*; that is not done in every case. I think that the Judges allow and understand that the instant the parties plead their case, they by that very fact close their *enquête*. But I think that the Judge should make all the entries correct, which, if they were not so made, might put in jeopardy the rights of the parties.

Q. In case one of the parties thought that an entry imperfectly made in the roll might prejudice his rights, do you not think that it would be his right to require its correction?—Certainly.

Q. Do you not think that the declaration made by one of the parties in a case

for *enquête* and hearing on merits, "that he has nothing to say" or "that he submits his case," contains in principle, or by induction, a declaration of closing of *enquête*?

(Objected to on behalf of the petitioners. Objection set aside.)—Yes.

Q. You have a knowledge of the petitions which have been preferred against Judge Loranger? You know that there are two of them, one of which was rejected, and the other which is now before the House?—I know it from having read it in the newspapers and from having heard it spoken of.

Q. Do you know Maxime Beaupré, one of the petitioners?—Yes.

Q. Did he speak to you after the rejection of the first petition and before the signing of the second, telling you that he had signed the first?—Yes.

Q. Please tell us what he said to you?

(Objection taken to the question on behalf of the petitioners. Objection set aside.)

I think that it was on the same day that he signed the second petition, before signing it. We talked together about the matter in my office. We had news that the first petition had been rejected by the House, and on the question I put to him, I think, to know why he meddled with the matter, he told me that he did not like Judge Loranger, and that he had signed the petition in order to please Mr. Germain, and that he did not wish to sign the second one.

Q. Did he tell you that he had knowledge of the facts alleged in the petition?—We spoke of the different allegations in the petition; he told me that he knew nothing, or almost nothing, about them. We mentioned some of those allegations, and we spoke about the acts of drunkenness; he then remembered that he had seen the Judge intoxicated one day the latter went through Yamaska. As to the other facts, he told me that he knew nothing about them, that he had signed in order to please Mr. Germain.

Q. After he had signed the second petition, what did he tell you?—He came himself to my office, and said to me, "I have signed the second petition, I could do nothing else."

Q. Did he tell you anything else—did he tell you that it was Mr. Germain who had made him sign that petition?—Yes, and that he was not able to refuse him.

Q. He had previously stated to you that he would not sign the second petition? Yes.

Q. You have been an advocate since 1865; you have been acquainted with Judge Loranger for many years; a witness has here stated that he admired the talent of the Judge, but that he did not admire his character; do you know aught against the character of the Judge?

(Objection taken to the question on behalf of the petitioners. Objection maintained.)

Cross-examined:—

Q. You stated in your examination-in-chief that you never spoke to the Judge about the entries which are on the roll of the 3rd of October, 1873, respecting the two cases in which you were plaintiff, and J. B. Brousseau, defendant; please tell us whether you spoke about them to the Clerk or Deputy Clerk; whether you did not complain to one of them, or even to both, that those entries were incorrect, and whether you did not ask them to rectify them?—I had no knowledge of that until I saw your motion in review, which you based upon certain irregularities in the proceedings. I then asked the Clerk to see that the entries were correct before the record should go into review; that is what I recollect.

Q. If I understand you well, it was after the inscription for review that you thus addressed yourself to the Clerk?—I think it was on the very day of the inscription for review; I think that Mr. Germain had notified me of that, and that it was after that I went to see the Clerk.

Q. Was it not in the afternoon of the day of inscription for review?—I cannot say exactly.

Q. After the inscription for review, when you went to the Clerk's office, did you not in the presence of the Clerk and Deputy Clerk, yourself examine the records as well as the roll now produced before this Committee, and before such examination did you not then and there complain to one or both of them of the incorrectness of the entries which had been made?—I do not recollect having examined the roll before to-day; I only ascertained the facts from the affidavit and the motion of the defendant, Mr. Brousseau.

Q. After the inscription for *enquête*, did you not go to the Clerk's office, and did you not examine the records of the two cases, Nos. 1,322 and 1,332?—It is quite probable that I examined them.

Q. Did you not ask one of those two officers, the Clerk or Deputy Clerk, what entries had been made respecting your cases; did you not see them yourself?—I do not remember.

Q. Do you swear that you were not disquieted at all by the entries which had been made on the 3rd of October, 1873?—So far as I can recollect, I asked the Clerk to have all the entries made correct, because I had heard it said that Mr. Brousseau had inscribed his cases for review. As to having seen those entries, I am almost positive that I never saw them before to-day.

Q. Did the Clerk or Deputy Clerk speak to you about them?—I do not think that they spoke to me about them at the time; but I think that since * * *

Q. I speak to you about that time?—I do not recollect that they spoke to me about them at that time.

Q. Do you know any other rolls but that produced before this Committee containing the written account of the proceedings or acknowledgments of the parties made in open Court, at the time of the calling or of the hearing of cases in the district of Richelieu?—I know of no other.

Q. You have stated that you have knowledge of an alteration in an entry made the day after the day on which the entry was made?—I think that I said that it was on the same day, that such alteration was made.

Q. Was that alteration made in open Court in the presence of the parties or with their consent?—I cannot say that both of them had consented to it, for I know that they were not all agreed; what I know is that the Judge changed the entry which he had made; I think the advocate who caused the change to be made, was Mr. Keller; the Judge was Judge McKay I think.

Q. In all those cases was that done in open Court?—Yes.

Q. And to the knowledge of the parties?—I know that it was to the knowledge * * * I do not recollect whether it was to the knowledge of the two attorneys, or of only one, they had argued at considerable length in the morning, and later on one of the attorneys, I think, returned * * * I am tolerably certain that the two were present, and that they caused the entry to be rectified which had been previously made by the Judge.

Q. Who were the attorneys do you say?—So far as I can recollect they were Messrs. Keller and J. Doure. I am far from being able to state exactly how those facts occurred, but I know that the entry was changed, and it would be easy to find it again on the roll, since on that very day I had a case before the Court.

Q. Was that alteration of which you speak made at the same sitting in which the entry had been made, or was there an intermediate sitting before such alteration was made?—I cannot state whether an adjournment took place between the time of entry and that of the alteration.

Q. Will you state at what date that occurred?—I do not recollect exactly, it was however in winter.

Q. You have said that the judgment entered on the slips often differed, to your knowledge, from the judgments thereupon drawn out and subsequently registered; will you state in what that difference consists, in the substance of the judgment itself, or its decisory part, or only in the setting forth of the recitals or other things which were not essential to the decision?—I think that the slip or sheet of paper of the

délibéré contains the substance of the judgment, but that the Clerk subsequently draws up the judgment conformably to the notes on the slip.

Q. Can you cite any particular case in which such changes were made?—Well * * * I shall cite a case *ex-parte* Toussaint Chénette, which I made it my business to see yesterday.

Q. What was the alteration which you discovered?—There is a judgment much longer than that which is in the slip.

Q. That is done in numberless cases?—I thought that that was your question; what I know is that the judgment is not in general an exact copy of the slip. In the *ex-parte* case of Chénette there is the slip and a judgment which was commenced by the Prothonotary and continued by Judge McKay.

Q. Are there between the slip and the drawn-up and written out judgment, material differences in the decisory part?—I do not think so, but there are more details.

Q. Do you know of other cases in which there were differences between the drawn-up judgment and the slip?—I cannot cite any; I have made no special study in relation to that.

Q. In the District of Richelieu, when a judgment is rendered by the Judge in open Court—by the Honorable Mr. Justice Loranger in particular—orally, the slip which contains the substance and the decision of the judgment, and which is initialled by the Judge, is handed over by him to the Clerk; well, does there exist any other written trace of that judgment, until its preparation in definite form?—I cannot state exactly how it is done, because I do not take part in the drawing up of the judgments, but I think that the Judge puts the notes on the slip; that he passes it to the Prothonotary after having pronounced judgment, and that the Prothonotary draws up the judgment, basing it on the slip. I do not think that there exists any other written trace of the judgment pronounced on the bench, than the notes which the Judge hands over to Clerk, except there may be other notes distinct from the slip.

Q. You have expressed the opinion that the Judge can and even ought to correct the erroneous entries made by him on the roll. By what proceeding do you think that rectification can be effected?—I do not think that it would be necessary to make use of any special proceeding; I know that many advocates think as I do; that if the Judge perceives an error, even after he has pronounced the judgment from the Bench, so long as the judgment is not initialled, he ought to correct it.

Q. Then you persist in stating and remaining of opinion that the Judge can—at the requisition or to the knowledge of only one of the parties, and out of Court—make any alteration or rectification of the roll which might be injurious to the other party?—I do not think that he could make alterations prejudicial to one of the parties, but I think that he can make a rectification of an error which he may have committed, and that he can make an entry which he may have omitted to make.

Q. Even if that rectification is prejudicial to the other party?—Provided that it is to make an entry correct, not only can he do so, but what is more he ought to do so, and the other party cannot suffer from it, seeing that it is a correct entry; that is the way in which I see it.

Q. You have made allusion to a conversation which you had with one of the petitioners, Mr. Beaupré, in which he told you that he did not like Judge Loranger; did he not tell you, or give you to understand, that he had no confidence in him?

(Question objected to by Judge Loranger. Objection set aside.)

When I stated that he told me he did not like the Judge, I gave the sense of the conversation which I had with Mr. Beaupré, but I do not recollect the very expressions which he made use of. I cannot state precisely whether he told me that he had no confidence in him.

Q. Do you not know by the general burthen of the conversations which you may have had with Mr. Beaupré, that he had no confidence in Judge Loranger?

(Objected to by the Judge. Objection maintained.)

By Mr. Taschereau :—

Q. You were plaintiff in the two cases—*Mathieu versus Brousseau*, 1,322 and 1,332?—Yes.

(The witness adds, in order to complete one of his answers previously given, that: Mr. Rainville, advocate, of Montreal, appeared as attorney in one of the cases for Mr. Brousseau, but that Mr. Brousseau conducted in person both of them.)

By the Chairman :—

Q. You stated just now that the notes entered on the rolls cannot be considered as authentic,—then if those notes are not authentic, where is to be found the authentic journal, "*proces-verbal*" of what goes on in Court?—Those notes cannot be considered as authentic so long as the case is not finished, and I think that the Judge can always rectify a mistake which he may have made.

Q. If I perfectly understand your theory, you allege that nothing of what is done in Court is authentic, so long as a case is not finished; that no one of the entries is authentic?—The errors made in those entries can always be corrected.

Q. Do you consider that so long as the case is not finished no one of the entries is authentic?—Yes, that is my opinion as to the entries made by the Judge, which are subject to correction.

By Mr. Baby :—

Q. With the exception of the entries made on the roll by the clerk?—Even if the clerk has made an entry on the roll and it contains an error, it ought certainly to be rectified.

Q. If an entry is made and one of the parties declares his *enquête* closed, is not that mentioned?—I think that the notes of the Judge ought to shew it, and I even think that if he perceives that there is an error in his notes he can change them.

By the Chairman :—

Q. I will ask you whether when one party declares his *enquête* closed, or any other proceeding is had, the notes of the Judge are not evidence?—They must be evidence.

By Mr. Desjardins :—

Q. If one party declares his *enquête* closed, and the Judge puts down, by error, that the *enquête* is postponed to the following Term, ought he, or ought he not to rectify that error?—Yes, he is bound to do it. I have stated that the entry made by the Judge ought to be evidence so long as it is upon the roll, but I do not consider it to be authentic.

By Mr. Taschereau :—

Q. Do you consider that what people call the "slip,"—authentic or not,—is not in your opinion really authentic when it is handed over by the Judge to the clerk?—I am of opinion that the "slip" is not authentic.

Q. According to that the judgment entered in the registers may be different from that pronounced on the Bench?—I have stated that the "slip" was not authentic. I wish to speak about this according to the usual practice. I know that in the district of Richelieu the Judge puts on the "slip" the notes of the judgment, which is subsequently drawn up in the ordinary form by the clerk, who then gives it to the Judge for him to initial. So strictly is this observed that several days after the judgments are pronounced, when we ask for copies of those judgments, we cannot have them so long as the judgment drawn up by the clerk has not been initialed by the Judge. I think this is likewise the practice at Montreal. I know also that certain judgments drawn up by the clerk differ more or less from the "slip," but I think that in general the judgments drawn up by the clerk contain what is expressed in the slips.

By Mr. Baby:—

Q. Suppose that on the "slip" the judgment is given in one sense, and that by mistake the clerk should enter in the register quite another sense than the true one: which is it that is admitted as evidence; is it the "slip"; is it what is entered in the register; or is it the draft of judgment which is entered on the record?—The Code decides that question. I will remark that the "slip" is not the only document. If the "slip" is drawn up as a minute of the judgment, it must be admitted as evidence in preference to the register; but if besides that "slip," as is done in the Richelieu district, there is a minute of the judgment, it is the minute which is to be admitted as evidence. I refer to Article No. 474 of the Code of civil procedure.

By the Chairman:—

Q. Is not the judgment pronounced on the Bench, the judgment, whether well or ill?—It is the judgment, only it should be embodied in a form.

Q. Which is the true trace, the only trace of the judgment?—It is the slip.

By Mr. Baby:—

Q. What are the duties of the Prothonotary when in Court in your district?—In our district the Prothonotary comes into Court bringing the roll with him; he puts it before the Judge, who makes the entries himself; and after Court the Judge hands back the roll to the clerk.

Q. In the interval, what does the Prothonotary do?—Nothing.

Re-examined:—

Q. Do you consider that the Judge, after having rendered his judgment, can rectify an error of calculation, out of Court, when drawing up his judgment?

(Question objected to on behalf of the petitioners. Question allowed by Committee.)—I think so.

Q. Can the Judge correct an error of date?—I also think he can.

Q. Can he change the substance when that substance is affected by an error of date or calculation?—I think that he can rectify an error of date or of calculation even in a case where that rectification would affect the substance of the judgment.

M. MATHIEU.

(Translation.)

ANTOINE ALFRED DE GRANDPRÉ, residing at Sorel, having been duly sworn, deposes and saith:

Q. You have been Deputy Prothonotary since 1871?—Yes, I was appointed in the autumn of 1871.

It is you who are particularly entrusted with the drawing up of the judgments and all proceedings?—Yes. I have charge of all proceedings which originate from the Judge in Court.

Q. Do you or do you not consider that it is the duty of the clerk to keep the roll of *enquête* and hearing on the merits; and when the Judge keeps it does he, or does he not, do so in order to facilitate the despatch of business, in the place of the clerk, and in order to guide him when transcribing the proceedings?—I think that it is the personal duty of the clerk to keep the roll of *enquête* and law, and I shall base my reasons for speaking in this way, upon article 237 of the Code of procedure, and the 42nd rule of practice of the Superior Court. I know, also, that in the Richelieu district, the Honourable Justices Caron and Plamondon compelled the Prothonotary to keep the notes of the rolls of *enquête* and law, and that they would not keep those notes themselves.

Q. Please answer the latter part of my question respecting the despatch of business?—I believe that if the Judge himself makes the entries on the roll,

it is in order to facilitate the despatch of business, and to guide the clerk in the transcription of the judgment.

Q. Do you not consider the entries made by the Judge as being notes, that he may change, rectify and complete before the final judgment, and even after it, and before the transcription and the sending of the record to a superior tribunal, in the case of error, omission or insufficiency?—I think that the notes written by the Judge on the roll, in the place of the Prothonotary, should serve to guide the clerk in the transcription of the proceedings had in Court,—either to be put into the transcript when the case is sent up for review or appeal, or in the minute book, which in the Superior Court is required to be kept.

Q. Is it not from the Judge's notes that you take the transcript of the proceedings; and from the minute book, when you have entered them therein, that you take the transcript of cases when you send them up for review or appeal?—Yes, we first take the notes entered in the roll of *enquête* and law, in order to enter them in the minute book, when such a proceeding is necessary, or we next take them from the minute book, in order to enter them in the transcripts which are afterwards sent up in review or appeal.

Q. Is it not true if an erroneous entry made by the Judge cannot be rectified on the roll, that by taking your entries on the roll to make your transcripts, you will send false or erroneous transcripts of the proceedings to review or appeal?—Certainly, for by basing the entry which we make in the minute book, on an incorrect entry made on the roll of *enquête*, we should by that very act make an erroneous entry, and one contrary to the truth, and hence the transcript would set out falsely an entry of the facts which occurred at *enquête*.

Q. Suppose a case where, being called upon to prepare a transcript, in order to send a proceeding to a superior tribunal, you have reasons for supposing that such an entry is erroneous: is it not your duty in that case to address yourself to the Judge, and ask him for explanations?—In case my attention were directed to an error made on the roll or elsewhere, whether the error was one of the Judge or of the Prothonotary, I think that it would be my duty to submit the entry to the Judge or Prothonotary, and to draw their attention to the error committed.

Q. In that case would it not be your duty to accept the decision of the Judge and to make in your transcript the entry which he would tell you to make?—I think that I am bound to follow the orders of the Judge.

Q. Suppose a similar case. If the Judge does not himself correct the entry in his roll, and the entry which he dictates to you differs from that entered on the roll, would not the result be a variance between the transcript and the roll?—From the moment I should know, say from having attended Court, that the entry made by the Judge was erroneous, and having to make the transcript of a case in which an error might have occurred, that I should make the entry correctly as the facts actually occurred in the case; it would necessarily follow that there would be a variance between the roll and the transcript.

Q. In the case of a variance, one party asking to have the transcript sent back to the Court below, and the transcript coming to you by order of the superior tribunal ordering you to complete or rectify the record, would you not then be obliged to make an addition or rectification on the original entry made by the Judge?—Certainly, and I think I recollect that a transcript was sent back, I believe from the Court of Appeals, in order to be finished and completed,—in order to have added to it what had been omitted. It was a judgment which had not been entered in the registers, which I had omitted to enter, and which, nevertheless, was found in the record.

By the Chairman:—

Q. That is to say, your transcript would not be found to agree with the register?—Yes.

Q. It follows that if the Judge has not the right to rectify the entry in his book, the transcript will be necessarily false, and will remain so?—The transcript will not be in conformity with the facts in the case.

By the Chairman :—

Q. But it will be in conformity with the book?—Yes.

Q. Then, in that case, there would be no means of rectifying the error in the book?—I do not think myself sufficiently versed in procedure for my opinion to have any great value, but I know of no other means of rectifying the error in the book than that which I have mentioned above.

Q. If you were keeping the roll yourself, and you perceived that a mistake had been made in an entry, would you not consider that it was not only your right but also your duty to rectify it?—I think that I should be bound to make the correction.

Q. Please state what passed respecting the cases *Mathieu versus Brousseau*, and the entries on the roll of *enquête* and hearing, which were made in the two cases in question. Give us the history of the facts?—About the 3rd of October, 1873, or after—some days after perhaps—Mr. Brousseau himself came often to the clerk's office to examine the roll and see what entries were made with respect to his cases. He pointed out to me the letters "P.O.C.A.V.," entered in the last columns of the cases Nos. 1,222 and 1,332, in which Mr. Mathieu was plaintiff and he himself, Mr. Brousseau, defendant. He told me on one of those occasions that, in Court, he had not declared his *enquête* closed; that he had only said "I submit the case." At the same time, Mr. Mathieu, the plaintiff, (so far as I can recollect, it was when the cases had been inscribed for review), asked the clerk if there had been a closing of *enquête* in the case; he alleged that Mr. Brousseau had closed his *enquête*. Upon that, being about preparing the transcript of cases for the Court of Review—I do not recollect whether I submitted the matter to the Prothonotary, or whether, by his orders, I then referred it to the Judge—but I know that I myself carried the roll to the Judge's chamber, and there examining the entry made, "P.O.C.A.V.," which was the only one existing, the Judge immediately said: "I recollect well that Mr. Brousseau closed his *enquête*;" and thereupon he made the entry: "The defendant declares his *enquête* closed," and he signed; and I prepared the transcript in conformity with that entry.

Q. Did you draw the attention of the Judge as to the fact whether there had been a closing of *enquête* or not?—Yes.

Q. So that in fact, was not the only material change made in the entry in question, the insertion of the words: "The defendant declares his *enquête* closed," inasmuch as after having struck out the letters "P.O.C.A.V.," the Judge restored them?—From what I can see there, on the roll, the letters, "P.O.C.A.V." have been affixed anew. I made an error in stating that that entry was signed by the Judge. It is certainly the writing of the Judge, but his initials are not there. I thought that I had seen them just now.

Q. Does it not appear to you that the letters "P.O.C.A.V." were struck out in order to write below: "the defendant declares his *enquête* closed," because there was no room in the columns above the letters "P.O.C.A.V." to insert the correction?—I think that was the reason that it was done in that way.

Q. Did you remark in the conduct of the Judge anything which revealed a doubt as to his right or his duty to make the correction?—I did not remark it; the Judge did it at the first impulse.

Q. "*Proprio motu*," as the impulse of a man who does a duty?—Yes.

Q. Do you know that the Judge had any imaginable interest besides that of duty to make such a correction?—I do not know that he had any, except to render justice to the two parties before him and to rectify the facts.

Q. You understood, without any doubt, that the Judge was satisfied that the object of your proceeding was to ascertain the truth of the facts respecting the closing of the *enquête* of the defendant in the two cases in question and to ask for its correction?—I think so.

Q. Did you tell him that there was an inscription of those cases for review?—I do not think that I at the time mentioned to him that there was an inscription for review of those two cases, for it seldom happens that I mention to him that there is a review or appeal of the judgments by him rendered; if that sometimes happened, it was only in conversation,—incidentally.

Q. Does not your duty oblige you to mention to him that there is an appeal or review of a judgment by him pronounced?—No, there is no reason for acting so.

Q. Is it not true, that the inscription for review is made without the knowledge of the Judge?—Certainly, and if the Judge knows about it, it can only be because it has been mentioned to him; but generally the inscription in review and appeal are effected without the knowledge of the Judge who rendered the judgment.

Q. Is it not true, that in your opinion the slip is not a note of the judgment?—I think that the slips are only memoranda which serve to guide the clerk in the drawing up of the judgments which he has to prepare subsequently.

Q. Is it not true that, even on the Bench, usually, the Judge does not read his slip, but leaves it on the record without reading it?—Generally the Judge,—and this is the practice in the Richelieu district,—in giving the records to the clerk, reads the reasons of the judgment which are in substance recorded on the slip, and the judgment is subsequently prepared by the clerk, who submits it to the Judge in order that he may examine and initial it.

Q. So long as the draft of the judgment is not written on the back of the slip, is it not true that it is a simple memorandum which he gives you with instructions to prepare the judgment in one way, and not in another?—I think so.

Q. Is it not true that the Judge initials his judgment drawn up by you apart from the slip?—Almost always.

Q. Is it not true that as to judgments containing reasons, they are always written in your handwriting?—I prepare almost all the judgments, and the reasons which are given me in the form of notes by the Judge, and I enter them myself in the drafts of the judgments.

Q. Do you consider that there is any executory judgment whatever without that judgment being initialed by the Judge, and entered in the registers?—I think that we should refuse the execution, so long as the judgment was not initialed, was not approved.

Q. Does it not often happen, that whether the judgment be drawn up with his reasons on the slip, or that it be drawn up by the Judge apart from that slip; does it not happen, I say, that the Judge almost always makes alterations in the judgment before initialing it?—To the best of my knowledge, the Judge often makes changes, either in the phraseology of the Judgment or in order to render more intelligible the reasons which may be inserted in it; but I do not think that changes have been made effecting an alteration in the substance itself of the judgment.

Q. With reference to the calling of parties and to proceedings, are the parties not called when the parties are before the Judge, and is not the calling done by the Judge; is it not only in case the party is absent that he has him called by the crier?—

The practice is not to have the parties who are present called.

Q. They are actually in default by the fact that they are present?—Yes.
Hearing of witness adjourned until to-morrow, 22nd March instant.

22nd March, 1877, the examination of witness is resumed.

Q. Is it not true that, besides the slip, the Judge generally brings on the Bench a judgment prepared in advance, on a printed form?—Quite often in the Richelieu district, the Judge brings with him on the Bench, a statement of the judgment or draft of the judgment, which he hands over to me subsequently, in order that I may prepare the draft of the judgment after examination.

Q. Is not that judgment, with reasons assigned, written upon a printed form?—Often.

Q. When that judgment, with reasons assigned, is not written on a printed form, is it not sometimes written on the back of the slip?—It is most often written on the back of the slip in cases where the reasons are not very long.

Q. So long as the draft of the judgment has not been approved by the Judge, do you consider that there is a judgment, or would you consider yourself justified in causing it to be executed?—So long as the judgment has not been approved by the Judge, we do not give any copies; and I do not think that the Prothonotary would grant execution.

Q. Do you consider that there is a judgment in the case?—I consider that the judgment is not yet complete.

Q. Please tell us what took place in the case of Pope and Truesdell?—I was present in Court at the time of the rendering of the judgments on certain motions presented,—the one by the plaintiffs, to interrogate William Anderson, on articulated facts, served upon him, and especially, I think, to obtain an answer to the second question of the said articulated facts, which had been previously served upon him, and in the case of default therein by the said defendants, that the said defendants might be constituted in default for refusing to answer; the two other motions on behalf of the said defendants, tending to cause certain depositions to be rejected from the record. To my knowledge, on the 10th of February, 1874, the Honourable Judge, while on the Bench, granted the motion of the plaintiffs, and rejected that of the defendants for want of notice; and in open Court, one of the advocates representing the attorney for the defendants, I think, remarked that there was a notice of service at the time of the motion.

So far as I can recollect, the Honourable Judge maintained the two motions of the defendants. I did not see the Honourable Judge make a correction while on the Bench; but I saw that he took his pen, and I thought that he made a correction. Later on, not understanding the note placed on the slip to draw up the judgments on the motions of the defendants, I think I recollect having asked for new explanations. I thought I heard, when in Court, that the motions had been maintained; so far as I can recollect, the Honourable Mr. Justice Loranger told me that he had granted those motions; and what made me doubt was, that there was in the note as corrected by the Judge the following: "*granting the motions of the defendants to have certain depositions rejected,*" and I think that the word "*defendant*" was repeated in a contracted form, and I think that that correction was made subsequently; it was a *lapsus* of the pen, the word "*defendant*" had been written instead of the word "*plaintiff*."

Q. You are very positive that want of notice of service was mentioned on the Bench?—Yes.

Q. And that upon the remark that there had been a notice of service, the Judge gave a judgment which he hesitated to render before?—About that fact I cannot speak very positively, I know that the question of notice was raised; so far as I can recollect I think that the Honourable Mr. Justice Loranger rendered judgment granting the motions of the plaintiffs.

Q. The Judge took his pen but you do not know what he wrote?—I am not able to say what he wrote.

Q. Nor for how long he wrote?—No, to the best of my knowledge the Judge verified the service of the notice.

Q. You think that it was the motion of the plaintiffs which was granted after verification?—Yes.

Q. It was given *vidé voce*?—So far as I can recollect, but I cannot swear positively, it is so long ago.

Q. Later on you drew up judgments on those motions?—Yes, later on I drew up a judgment respecting the motion of the plaintiffs, and another judgment on the two motions of the defendants.

Q. Those judgments were examined by the Judge?—Both were examined, the one was corrected without being initialed, the other remained as it was drawn up.

Q. Will you now read the judgment as it reads, not taking account of the words which are struck out?—"Judgment on the 10th of February, 1874, granting the motions of the defendants to have certain depositions rejected, and that of the plaintiffs' plaintiffs.."

Q. Twice?—Yes, "*for want of notice to the opposite party.*"

Q. Have you ever had occasion to register in the books, the slip, or *verbatim*, the

judgment as it stands on the slip?—We have never entered in the registers what the slip contains in brief, and we have never given copies of those slips.

Q. When you send the cases to appeal or review, do you send the slip as part of the record?—We leave it in the record and keep it as a note, and we keep the envelope of the record; nevertheless some of them have been sent but those are exceptional cases; but I do not recollect having sent them myself.

Q. Which do you consider to be the minute of the judgment, is it the slip or draft of the judgment?—I consider that it is the draft of the judgment drawn up from the slip, approved by the Judge and which is entered in the register.

Cross-examined:—

Q. Has the entry made on the roll of the 3rd of October, 1873, in the two cases—*Mathieu versus Brousseau*—ever been transcribed into the minute book?—I think that I transcribed it.

Q. Can you swear that you transcribed it?—I must see the minute book again to say so.

Q. Did you verify the minute book before coming here?—No, I did not expect to be questioned upon it. I think that that entry was made in the minute book.

Q. You think so, but you cannot swear to it?—No.

Q. You stated, I think, that when you were preparing the transcript, it was to the entry made on the roll that you referred?—I referred to the entry made on the roll in order to place the proceeding under its proper date in the minute book.

Q. In your examination in chief you did not speak of the minute book, you simply stated that you had referred to the roll before making your transcript?—I think that I spoke of the minute-book, at least in the general explanations which I gave about the transcript of the records when we sent them to appeal or review. I think that I said that I transcribed the proceedings most generally from the roll to the minute book. In some instances that was not done, inasmuch as the minute book was only completed in some cases when they were finished.

Q. You say you think that you made those entries in the minute-book; then how do you think you made them in the minute book; was it conformably to the original entries, or conformably to the altered entries?—It was conformably to the entry existing on the roll, as it now exists, that is to say: "3rd of October, 1873, the defendant in open Court declares his *enquête* closed, C. A. V.," in case 1322. In case 1332, "The 3rd October, in open Court, the defendant declares his *enquête* closed, C. A. V.," and it is in that way that the entries ought to be made in the minute book.

Q. About what time do you think you made those entries in the minute book?—About the 25th October, 1873. We only complete our minute books when the cases are finished, the proceedings of the advocates being generally had at various dates, either anti-dated or post-dated.

Q. Then you think that that entry in the minute book was made after the alteration of the entries made on the roll?—I am certain of it.

Q. In consequence, from the 3rd October, 1873, to the date of the alteration of the roll, there was then no other entry registered than that originally made on the 3rd of October?—Certainly; that is to say, there was only P. O. C. A. V.

Q. The roll which was produced before this Committee is the sole register in which such entries of proceedings in open Court are entered?—Yes.

Q. It is the only one which records the declarations and the admissions of the parties made in open Court?—It is the only one which we have in the district of Richelieu for the Superiour Court. There is also one for the Circuit Court.

Q. But for cases such as this it is the only roll?—Yes.

Q. Do you recollect an interview which you had with the defendant in the two cases in question, in November, 1873, about the day before the Term for Review?—I cannot specify the dates, but I recollect having seen the defendant several times at the clerk's office about that time.

Q. The interview about which I wish to speak is that which took place one

evening at the time above mentioned at your boarding house, on the arrival of the defendant by the boat; do you recollect that interview?—It seems to me that he came to see me at my boarding-house, but I do not recollect what we said.

Q. Did not Mr. Brousseau arrive on that evening, telling you that he was on his return from Montreal, where he went to attend his cases, and that to his great surprise he had seen that the entries made in open Court at the time of the calling of the cases, had been changed, and that he had discovered that, by the transcript of the cases; did he not then ask you for explanations, which you gave him, on the subject?—I do not recollect that; I do not recollect what explanations I may have given him.

Q. Do you recollect that Mr. Brousseau went to your boarding house one evening?—It seems to me that it was so, but I do not recollect that he spoke to me about those entries in particular; he spoke to me on different occasions and since the cases were in review.

Q. Do you swear that you recollect nothing as to the subject of that interview?—No, I do not recollect.

Q. Do you recollect having given on any occasion some explanations to the defendant with respect to those alterations?—I think that I gave him some.

Q. Did he not tell you that on the very day, or on the day after, the inscription for review, Mr. Mathieu, the plaintiff in the two cases in question, had come to the clerk's office and after having examined the records on the roll, had complained that the entries made in open Court were not correct,—did he not complain of that, either to you or to Mr. Gouin?—I do not think that I gave to the defendant any explanations in the form you have just mentioned; I think that I told him that Mr. Mathieu alleged that there was no closing of *enquête* entered on the roll; I do not think that he saw the roll at the clerk's office; I don't know from what quarter he learnt that there was no closing of *enquête*; he maintained that Mr. Brousseau had closed his *enquête*, and that that entry should be made correctly; I think that there-upon I referred the matter to the Prothonotary,—to the best of my acknowledge,—and then that I referred it to the Honourable Mr. Justice Loranger, in order to do justice to the two parties, and to make the entry such as it ought to have been made in Court, in fact to place matters in their true position.

Q. When Mr. Mathieu complained about those entries was it in your presence; and in what terms did he complain about them?—I think he said that he knew well to whom he should apply in order to get those entries made correctly.

Q. On arriving at the office, were those the first words he spoke?—I think he had asked me before whether there was a closing of *enquête* in his cases, and that I answered him that there was not.

Q. In order to answer him you must have referred to the roll?—I knew the entry already.

Q. And in making that answer you relied on the original entry, P.O.C.A.V.?—Yes.

Q. It was on that information that he complained?—He complained of it before, he ascertained first verbally before complaining of it, as well as I can remember,..... I think I was then alone in the office.

Q. Did you not say once to Mr. Brousseau, that Mr. Mathieu had, on one of those occasions, asked or required Mr. Gouin to rectify those entries and that Mr. Gouin had refused to do it, saying that he could not?—I do not remember that.

Q. Do you not remember that he really did make that request of Mr. Gouin?—I do not remember.

Q. Did he make it of you yourself?—Of me, yes, in the terms I have just stated to you.

Q. Was it in the presence of Mr. Gouin and in the office itself?—I have just said, I think Mr. Gouin was not present.

Q. Was it immediately after those complaints of the defendant, that you referred to the roll to the Judge as you stated above?—I cannot say precisely that it was on that very day, it may have been one or two days afterwards.

Q. In any case it was while you were working at the transcript that you so referred the roll to the Judge?—It was before commencing the transcript.

Q. But with a view to preparing it?—Yes.

Q. Had not the inscriptions for review then been entered on the records, for the two cases?—I think they had been.

Q. The two records were still in the office of the district of Richelieu?—Certainly.

Q. When in addition to the "slip" the Judge brings with him to the Bench for the purpose of rendering his judgments, another paper, partly printed or otherwise, as you stated above, which contains the substance and the decision of the judgment, is that paper or document written in another handwriting than that of the Judge?—It is always in the handwriting of the Judge.

Q. Is it the custom, on motions, for the Judge to prepare his judgments otherwise than on the "slip" before rendering them in open Court?—The Hon. Judge does not prepare the judgments he has to render otherwise than on "slips;" the minute of judgment is drawn up by me afterwards.

Q. Were not the two drafts of judgment drawn up by you, and which are in the record in the case of *Pope vs. Truesdell*, prepared several days after the date of the judgments on the motions?—I do not think I made delay in drawing up those drafts of judgments. I think one of the attorneys wanted a copy in order to get it served. I cannot say precisely how many days after the judgments I prepared those drafts.

Q. At all events you are sure that it was some days after, and not the same day? I do not think it was the same day.

Q. Between the day of the delivery of the judgments and that of the drawing up of the two drafts of judgments, were there in the record or in the office, other written traces of the judgments rendered in open Court, than the note initialed on the "slip" in question?—No others existed to my knowledge.

Q. Do you swear positively that it was you yourself, and not Mr. Gouin, who were present in Court on the 10th February, 1874, at the rendering of those judgments?—I swear, positively, that Mr. Gouin and I were present.

Q. Is it usual, generally, for you to be in Court simultaneously, you and Mr. Gouin? When one of you two is in Court, must not the other remain in the office?—Usually, but when judgments are rendered, I like to be in Court in order to hear the rendering of those judgments and to prepare them better afterwards, and in this connection, I may say that I was for a long time but little familiar with the Judge's writing, and when I had heard him deliver a judgment I understood better the notes written by him.

Q. When you are in Court in that way, with Mr. Gouin, do you turn your back to the Judge or do you face him?—Sometimes I turn round to see him.

Q. The Judge sits on the Bench, facing the audience?—Yes.

Q. So that in your normal position you turn your back to the Judge?—Yes.

Q. Well, is it true that in order to see what the Judge is doing on the Bench, in order to see whether he is writing and takes up his pen, you are obliged not only to turn your head but also to stand up?

(Question objected to by Judge Loranger. Objection maintained by the Committee.)

Q. You have stated that, subsequently, having seen the "slip" as it now is, you asked the Judge for explanations; how long after the rendering of the judgment was it, to the best of your knowledge?—To the best of my knowledge, it may have been four or five days afterwards.

Q. Might it not have been more than four or five days afterwards?—It is possible.

Q. When you so referred that "slip" to the Judge, was it in the same state that it is now?—I do not remember whether a new word may have been put in place of the word "*defendant*" repeated. I think I said in my examination-in-chief, that the word "*defendant*" had been struck out, and the word "*plaintiff*" added, but I cannot swear that positively.

Q. Are you positive in saying that the Judge examined on the Bench, whether

there was or not a return of service or of notice, to the other party, of the motion rejected, or do you say that merely to the best of your knowledge?—I think I saw the Judge turn the motion when the advocate drew his attention to a return of service of such motion, and I thought he verified it.

Q. Still you are not positive?—It is difficult to swear that positively.

Q. You have said that you do not send the “slips” to the Court of Review or Appeal, with the records; but, do you not rather send an exact copy of the judgment as drawn up with its developments?—Yes.

Q. And as entered in the register?—Yes.

Q. Then it is in no way necessary to send the “slips”?—We send the extract from the register. We look upon the “slips” as being merely notes.

Q. Were those two judgments on motion, ever entered in the register; if so, how were they entered?—Those motions are entered in volume 4, page 660, of the registers of the Superior Court; that entry is made in accordance with the judgment drawn up by me, and corrected by Judge Loranger, after examination; they are not initialled. Pretty often at that time, we did not get the judgments on motions initialled; it was only final judgments that we used to get initialled.

Q. Is either of the two initialled by the Judge?—Neither; but one of them is corrected by the Judge's hand, without initial or signature.

Q. Were they ever initialled or signed by the Judge in the minute book?—No.

Q. Are you not on terms of great friendship with the Judge, and have you not, in fact, reasons for being grateful towards him or towards one of the members of his family: towards the Reverend *Curé* Loranger?—All in that family are my friends, and I have no special reasons for direct gratitude. However, I must say that I entertain gratitude towards them.

Q. Have they not rendered you services? (Question objected to by Judge Loranger. Objection maintained by the Committee.)

Q. Did not Judge Loranger help to get you the place of Deputy Prothonotary?—I do not know whether he helped or not; I believe that the Judge said to Mr. Gouin that, in case he should need a Deputy Prothonotary, he might get me.

Q. Before that, were you not favoured as a notary in the parish of Lanoraie, by the Reverend *Curé* Loranger? (Question objected to by the Committee.)

Q. Did you not promote the adoption by the Grand Jury of the district of Richelieu, at the Term of the Queen's Bench, Crown side, in July 1876, of the presentment or address which is now produced before the Committee?

(Witness declines to answer, and pleads that he is bound to keep secret the proceedings of Grand Juries.)

(The advocate produces the presentment; it is marked “Document, A 4” of the Petitioners.)

Q. Now state on what you base the opinion you have expressed in the course of your evidence, in relation to the right or duty of the Judge and of the Prothonotary or clerk, to make the changes, alterations or corrections of which you have spoken, either in the register or in the notes of the judgments?—I base them on this reason: In some case it appears that a note is entered by error—an error which is, properly speaking, only a clerical error—I consider that it should be changed, provided that it does not affect the substance or decision of a judgment.

Q. You are not an advocate?—No.

Q. Have you studied the question by consulting any authors or proceedings?—Not specially; however, I have studied the law and seen the procedure in the office.

Q. Will you mention an article of the law on which you base any of the opinions you have expressed?—I cannot cite any immediately; if I were to study the question I could probably do so.

Q. Before giving your evidence, had you not one or several interviews with Judge Loranger, and in the course of those interviews did he not express to you his views on the subject?—No; without explaining to me his views, he made known to me the drift of the questions he was going to put to me; on my part, after having reflected, I made known to him the drift of my answers.

Q. Did he then make any demonstration, or use any argument with you, to strengthen you in the opinion you had?—No, not on those questions of opinion; on certain questions of fact, Judge Loranger did not remember, and I myself thought I remembered, certain facts, just as I have mentioned them, and chiefly in relation to the matter of *Pope vs. Truesdell*, in which the Judge did not remember the facts.

Re-examined:—

Q. Did not Judge Loranger often say to you that, strange to say, he did not remember what had taken place relative to those entries in the case of *Mathieu vs. Brousseau* and in that of *Pope vs. Truesdell*, having done those things as a matter of routine?—I remember that Judge Loranger told me, lately, that he was entirely unaware of what had passed touching the matter of *Pope vs. Truesdell*; thereupon I told him how I thought I remembered the thing had occurred, as I stated above. As to the cases of Mr. Brousseau, I do not remember.

Q. You have been made to say that the slip had been initialled by the Judge; do you remember the date on which it was initialled?—No; I produce the roll of non-appealable cases of the Circuit Court of the district of Richelieu, in order to show that there are entries in the handwriting of the different Judges who hold Court in that district. Perhaps there are also some in the handwriting of Mr. Gouin.

By the Chairman:—

Q. When you went to the Judge, with the register, in relation to the matter of *Mathieu vs. Brousseau*, do you remember what you said to him?—I think I asked him: "Is there a closing of *enquête* in that case," or a question in that sense.

Q. Were you present when those cases were heard?—No.

Q. For what purpose did you go to ask the Judge whether there had been a closing of *enquête*?—Because it was necessary to have it established. Sometimes cases were submitted by the advocates without a closing of *enquête* having been had, either in Court or affected in writing, and we then ask those gentlemen to file by consent a closing of *enquête*. I think that has also happened after judgment was rendered.

AL. A. DEGRANDPRÉ.

GEORGE H. KERNICK, residing at Montreal, being duly sworn deposes and saith: I have been an employee at the Prothonotary's office for the last forty years.

Q. You have been for many years past engaged in keeping the registers, rolls and minute books of the Prothonotary's office at Montreal?—I have been so engaged for some years past.

Q. You have a general knowledge of the keeping of those books?—Yes.

Q. Let us first speak of the practice at Montreal in relation to "slips: " What is it that is called a "slip" at Montreal, and what authenticity do you attach to those "slips; " what degree of faith does custom attach to those "slips"?—They have always been looked upon as notes or grounds of the judgments, which are to be communicated to the clerk by the Judge, in order to the drawing up of the final draft.

Q. Does it not often happen that that note is changed by the Judge?—After it has been returned to the office?

Q. Yes?—After, I cannot tell you, it is not I who take charge of that; but I have seen many slips bearing erasures.

Q. It is not you who draw up the judgments?—No.

Q. Do you consider the slip as the minute of the judgment?—The slip as it exists to-day, did not exist at the time, it has only existed some twenty years.

Q. Then, how did you at that time draw up the judgments?—From a simple note which the Judge passed to the clerk on rendering judgment on the Bench; that piece of paper was there; he gave it to the clerk; it remained or did not remain with the record; no importance was attached to it.

Q. Since that time you call "slip," a strip of paper which is fastened on to the record, on which is printed the names of the parties, the name of the Judge, the nature of the incident, the date of the rendering of the judgment, and the incident on which the judgment is rendered?—The present slip originates with the clerk, it is put before the Judge, and it forms part of the record to show the Judge on what incident the case is in *délibéré*. Then as a consequence, the Judge when rendering his judgment, when it is not too long, writes out the reasons of it thereunder, and gives the note of it to the clerk.

Q. What takes place next?—Some of those notes always remain with the record, that is to say, if the Judge signs them, they are entered in the minute book as a judgment.

Q. In general, do you not draw up a judgment?—Ordinarily yes, if it is necessary; but if the Judge has given that as his judgment, we do not touch it again.

Q. Is it not true that in most of the cases, besides that slip you draw up a judgment which is submitted to the Judge, signed and initialled by him?—Yes; when he has reasons to insert.

Q. Does it not happen that in contested cases there are reasons to be set out?—Yes.

Q. In those cases do you not draw up a judgement, or draft of judgment, apart from the slip, which the Judge examines, corrects if necessary, approves and initials?—I am aware of it, but indirectly, seeing that it is not my department.

Q. Then you have no experience in the drawing up of judgments?—No; it is not my business, but it is I who prepare the *délibérés*.

Q. Let us now come to the registers or rolls of *enquête*; whose duty is it to keep the entries at *enquête* and hearing on the merits?—It is the duty of the clerk.

Q. Is there not generally a book kept for the use of the clerk, and another book, or a copy of the other book, put before the Judge for his use?—Not for *enquête* and hearing on the merits.

Q. Do you consider that a clerk who may have committed an error in an entry made at the *enquête* and hearing on the merits, ought to rectify that error if he perceived it?—I think so.

Q. It is you, I think, who keep the minute book?—Yes.

Q. And who prepare the entries of cases that go into appeal or otherwise?—Yes.

Q. Is it not true that the entering of proceedings takes place ordinarily after the Judgment is rendered?—No; in our minute books all is entered before the case goes for *délibéré*.

Q. (by the chairman.) Day by day, as far as possible?—Yes.

Q. Has it not happened to you to correct entries which you had made in your registers for the enrolment of proceedings?—When we noticed an error we corrected it, but not when it affected the substance or the matter. If an erroneous entry has been made, for instance: "*such a person examined for the plaintiff*," in place of "*defendant*,"—if such an error is noticed it should be corrected.

Q. If, for example, you have put the name of the defendant instead of that of the plaintiff; for instance, that such a person had been examined as a witness for the plaintiff, while he had been examined for the defendant, would you strike out the erroneous words in order to substitute the true words?—Yes, without hesitation.

Q. If you perceived that an entry had been omitted in the enrolment of proceedings, would you scruple; or would you not, on the contrary, think yourself bound to repair the omission?—I am bound to give a true transcript of all the proceedings; I therefore verify everything.

Q. Do you correct everything?—When I make a mistake, it is my duty to correct.

Q. Consequently, if you perceived that in the enrolment of your proceedings, you did not make mention of the closing of an *enquête* which had been really closed, would it be your duty to make entry of such closing of *enquête*?—In those instances I have done it when the cases went into appeal, and I made entry that the Court declared the *enquête* closed; but that was in order to complete the procedure. I wish

to remark that at the Court of simple *enquête*,—for *enquêtes* written out in full—the parties are bound to declare in writing their *enquête* closed.

Q. In the *enquête* before the Judge, or *enquête* and hearing on the merits, is the rule the same?—The parties being all present in Court, the plaintiff in terminating his *enquête*, prays that his *enquête* may be declared closed; the defendant being called upon, often does not declare his *enquête* closed; in that case the Court writes, *P.O.C.A. V.*

In a case in the Superior Court—*Montreal Credit Company vs. Sauvé dit Laplante*—defendant being called upon, made default; the entry made by Judge McKay is as follows:—*Prepare the judgment subject to verification.*

In a case of Raymond against Leroux, one witness was called,—he was not examined; this is to show you that in many of those cases the Judge does not formally declare the *enquête* closed.

Q. Have you several other cases to mention?—Yes, several. In a case Walker versus Muller, the defendant being called does not appear, but his advocate appears and alleges that the inscription is not regular. The plaintiff is heard and prays judgment, and the Court orders the judgment to be prepared in the case; there was no formal closing of *enquête*.

Q. Then how do you make the entry in the transcript in that case?—The instructions to the man who prepares the transcript in that case are, to declare the *enquête* closed, but he does not usually do it, because he does not seem willing to believe that that is of consequence.

Q. At all events if you were called upon to make the transcript, you would put down that the *enquête* is declared closed—in a similar case I mean?—I have usually always considered that, the parties having been heard on the merits of the case, the *enquête* was closed.

Cross-examined:

Q. You state that in that case you would enter that the *enquête* was declared closed; will you state in what terms you would make that entry?—I would make this entry: “*The Court has declared the enquête closed.*” It is the Court that declares the *enquête* closed for cases of *enquêtes* and hearing on merits, whilst it is the parties who make that declaration for *enquêtes* taken at length.

Q. In the cases which you cited, were there any declarations of the parties that their *enquête* was closed?—That does not appear by the notes taken in Court.

Q. When the parties, or one of them, makes default at the calling of the case, in what terms would you enter the closing of their *enquête*?—That question I cannot answer, inasmuch as it is not I who remain in Court.

Q. How is it done in the clerk's office, when one of the parties makes default; what proceedings take place?—I have stated that the Court generally renders judgment without declaring the *enquête* closed.

Q. If the case goes to review, or to appeal, what entry would you make?—In the cases in which a party refuses to proceed, or does not appear, we take simply the entry as it is made in Court.

Q. Do you know any case in which it may have happened, that after an inscription in appeal or review, the entry made in the registers or on the rolls has been changed?—That does not occur with us.

Q. Have you knowledge of any case in which it was declared that the party who made default at his *enquête* declared it closed?—If the Court ordered it.

Q. Is it to your knowledge that that has been done?—When the parties do not wish to proceed, the Judge orders them to proceed; and if they refuse to proceed, the Court declares the *enquête* closed.

Q. Is it to your knowledge that in any of those cases the Court made the entry that it was the party himself who declared his *enquête* closed?—I do not know a similar case.

Q. Please examine the roll of *enquête* and hearing which is filed in this matter on the page of the October Term, 1873, the 3rd of October. Do the rolls for hearing, *enquête* and law, at Montreal, resemble this one?—We put down the names of the

parties, and that is the only roll which there is at Montreal for *enquête* and hearing on the merits.

Q. Do you enter on it the cases for each day?—Yes.

Q. That roll is laid before the clerk, who always keeps it in Court?—It is the clerk who calls the cases and makes the entries.

Q. Do you consider that roll the register ordered by law?

(Question objected to by Judge Loranger. Question allowed.)

A. It is the register of the Court.

Q. Does the law prescribe the keeping of a register?—I do not know whether the law prescribes it, or whether it is only for the use of the clerk, in order that all the proceedings may be entered therein.

Q. Are you ignorant of the fact that the law prescribes that the clerk should keep a book or register containing the statement of the proceedings in Court?

(Objected to by Judge Loranger. Objection maintained.)

Q. Have you knowledge of any case in which a judgment, of which the note or minute was transmitted on an initialed slip of the nature of that in the record of *Pope vs. Truesdell*, was ever changed by a Judge, several days after having been rendered in open Court, that is to say, confirming the judgment with reference to its executory provisions, and its recitals?—I cannot answer that question, it is not my business.

GEORGE H. KERNICK.

RÉNÉ AUGUSTE R. HUBERT, residing at Montreal, having been duly sworn, deposes and saith:—

I have been joint Prothonotary at Montreal for twelve years.

Q. You were an advocate for thirty years before being Prothonotary?—Yes, for thirty years.

Q. So that you are well versed in the practice of the Courts?—Yes.

Q. Please tell us what is the difference between the slip and the minute of judgment?—The slip is a note drawn up by the Judge; it is sent to the clerk's office in order that the judgment may be prepared. The judgment is then prepared by an officer whose duty it is, and is then handed to the Judge, who, after having examined it, initials it; then that document is the minute of judgment, and that is the judgment which is entered in the register.

Q. Do you consider that before the draft of judgment has been approved of and initialed by the Judge, there really exists an official judgment?—Not at all. In contested cases, the Judge pronounces verbally the judgment, but bases it on a book of notes, in which all the reasons of that judgment are entered. The slip is only an abridgment sent to the Prothonotary to draw up the judgment.

Q. Do you consider the slip to be anything else but a note or order given to the Prothonotary to draw up the Judgment?—Yes it is an order to prepare the judgment; so much, so that that note frequently disappears from the record; I never considered it to be anything else but a note for the clerk. I even believe that in certain cases the slip does not come back.

Q. Are those slips sent into appeal or review?—They are not sent, because they do not form any portion of the return; the transcript is a return of all the documents of the procedure, but the slip is not included, because it forms no portion of the proceedings.

Q. Do you consider the slip to be a note which the Judge may change, before the judgment is drawn up and initialed, without committing forgery?—Certainly, and that is done very often, the Judges take back their notes and make alterations. They make them even when the judgment is drawn up by the Prothonotary, on that judgment, before initialing it.

Q. Do you think that the administration of justice would be possible in any district whatever, especially in a district where there is a great deal of business, if the Judge had not the right of correcting the errors made on his slip?

(Question objected to on behalf of the petitioners. Objection set aside.)

A. Certainly not, especially in the district of Montreal, and besides, in the other districts the Judges have always enough to do, so that it may happen that they make mistakes, and if they had not the right of correcting them the public would suffer.

Q. To return to the rolls of *enquête* and hearing, the declaration of closing of *enquête* is always made in the book?—I have very regularly kept the Court of *enquête* and hearing at Montreal since it was established, up to a year ago. In cases in which the two parties appear, and when the *enquête* has taken place on both sides, then we put, after the hearing, "P.O.C.A.V.;" that is the only entry we put. We do not declare the *enquête* closed; and furthermore I do not consider it necessary that there should be such a declaration, for of necessity when the hearing has taken place the *enquête* has taken place. In cases in which one of the parties does not appear,—the defendant for example—then the plaintiff, declares his *enquête* closed; the defendant is called, and the defendant not appearing, the entry is: to prepare the judgment. In another case where one of the parties refuses to proceed, in the same manner, the party is called, and the Judge in that case orders the *enquête* to be closed and judgment prepared; the entries are made in accordance with the case.

By Mr. Baby :—

When one of the parties is present and says, "I have nothing to say," what do you put?—Then we put "P.O.C.A.V."

Q. Do you consider that the declaration of one of the parties that he has nothing to say, implies a closing of *enquête*?—Certainly, and I do not see the necessity of entering it, because the declaration of the advocate implies a hearing; if instead of pleading the case he states that he has nothing to say, that implies that he has been heard; in a manner somewhat short it is true, but that he has been heard.

Q. In that case you do not consider it necessary to declare the *enquête* closed?—No.

Q. Would you consider, if you declared the *enquête* closed, that you were committing forgery?—To commit a forgery one must have the intention of committing a forgery, but the making of an entry which is not necessary cannot be a forgery.

By Mr. Baby :—

Q. Especially if it be injurious to no one?—Yes.

Q. Do you not consider that,—the submission of the case, or the declaration of the party that he has nothing to say, implying a closing of *enquête*,—the clerk or the Judge who enters that declaration, although according to you it is not necessary, would not put on record anything but the declaration of a true fact?—Certainly he would do nothing else, and that cannot be considered as a forgery.

Q. Then that can only be considered, at the utmost, as a useless entry?—Yes.

By Mr. Baby :—

Q. If the Judge had made a "*lapsus plumæ*" by putting the word "plaintiff" for "defendant," or *vice versa*, could he not before the entry on the registers, correct that mistake?—That has been done several times to my knowledge.

By the Chairman :—

Q. When a party declares that he has nothing to say—a defendant, for example—what entry would you make?—We put the letters "P.O.C.A.V.," nothing more. I kept that book for ten years, and during those ten years I have always been the one who made the entries.

Q. You say that in Lower Canada the judgments are rendered on the Bench?—Yes.

Q. Do you think that the Judges can change the executory portions of their judgments?—I do not think that they can dismiss an action after having rendered judgment for the plaintiff, but as for the phraseology, it can be changed, if it changes the substance. In a case which I can cite, on a *capias*, after Judge Mondelet had dismissed it, the defendant's attorney stated that there was a document which he, the Judge, had not seen, and in fact the Judge did see the document about which he was spoken to, and discharged the *délibéré*.

By Mr. Taschereau :—

Q. Immediately?—Yes.

Q. When the Judge renders judgment on the Bench, are there any other traces of the judgment than that on the slip which the Judge hands to the clerk?—No, except the memorandumbook of the Judge, or the notes which he may have.

Cross-examined :—

Q. In your district I understand that it is not customary to sign and initial the notes which are on the slips?—Never.

Q. Then in your opinion, so long as there is no document comprising the substance of the judgment, signed and initialled, there is no judgment in the case?—There is the judgment pronounced on the Bench, but not a written one.

Q. Then in your opinion there exists no minute of the judgment but when there is also in the hands of the Prothonotary a writing, a written document signed by the Judge?—Yes, drawn up by us, and initialled by the Judge.

Q. In saying "by us," do you mean to say that the Judge has not the right to draw up a judgment himself?—At Montreal, Judge Mondelet himself drew up all his judgments; I do not mean to say that the Judge has not the right to draw them up.

Q. When the Judge himself draws up his judgment in the form which suits him, which he initials and which he hands over to the clerk in open Court, do you consider that that document is really the minute of the judgment?—As to that there is no difficulty.

Q. Then, strictly speaking, it is the Judge's initials which give the character of a minute of judgment to the document which contains the substance of it?—Certainly.

Q. Do you consider that when there once exists such a document, or a writing containing the very substance of the judgment, placed on the record and signed by the Judge, that that document can be by him or by another, changed as to its substance or its executory provisions?—Once initialed by the Judge, it is not to my knowledge that any change of that kind has taken place, except in a case in which the Judge had changed the date of his judgment.

Q. Does it not often happen in your office, that the judgments are only made out or prepared by you or your officers several days after they have been pronounced on the Bench?—That sometimes happens; we have so great a number of judgments at once, that it often happens that we can only draw out the drafts of the judgments several days after they have been pronounced on the Bench; it is impossible for us to have them prepared before five or six days.

Q. Do you consider that a minute of a judgment initialed by the Judge, as explained above, containing the exact substance of a judgment rendered in open Court, can be subsequently altered as to its substance or its executory provisions, without that constituting a forgery?—I am not ready to give an opinion on that question, inasmuch as in the case to which I just now alluded, an advocate alleged that the Judge had altered the date of the judgment. An improbation (*inscription de faux*) was entered, and Judge Mondelet dismissed the action, and did not grant the improbation. So that it would be impossible for me to give an opinion on the matter.

Q. Do you consider that such a minute, containing the rejection of a motion in open Court, could be altered in such a way as to make it state falsely the granting of that same motion, in open Court, without the commission, by that act, of a forgery?—I consider that there is no forgery, if the Judge, on the Bench, immediately, seeing that there is a mistake, changes his judgment.

Q. If, instead of making that alteration at once in open Court, he made it several days afterwards, out of Court, in the absence of one of the parties, do you consider that that would not constitute a forgery?—I am not prepared to say that that would constitute a forgery; for it appears to me that a certain latitude should be allowed to the Judge, provided the parties do not suffer by the correction which he makes, and that he makes that correction in the interests of justice.

Q. In case one of the parties should suffer from it, whether for the costs or in relation to the decision itself?—I would still not give a decision; I would leave it to

the tribunal to decide whether there is forgery. Private opinions as to forgery are not worth much.

Q. Can you cite a single case in which on the calling of a case at *enquête*, the defendant being present and having declared that he had nothing to say, an entry was made in the registry or roll to the effect that he had declared his *enquête* closed?—It has never been done to my knowledge, and I have regularly followed the Court of *enquête* and hearing on the merits, during several years.

Q. On what do you base the opinions you expressed in your examination-in-chief in relation to the duty of the Judge and of the Prothonotary to make the changes of which you spoke?—On the very simple reason that it would be impossible to make the proceedings always correct in a district like that of Montreal, where we are overwhelmed with records, documents, suits of every kind; it is hardly possible, I say, that a man should not make mistakes when he has so much business to supervise.

Q. Then, we are to understand that you do not base that on any authority, or any text of law?—I base it on the practice which has always obtained; as well as I can remember, that has always been done without complaint having been made, and the only case of improbation I know of for Montreal is that I mentioned to you just now.

Q. Do you not know of any precedents contrary to the opinions you have expressed?—Not personally.

Q. You have never made a special study of that question as a matter of law and of jurisprudence?—No.

Re-Examined :—

Q. In your answers you have been made to go farther than you thought to go. You were spoken to about the case of a “slip” which might be initialled by a Judge?—Yes.

Q. In general the “slips” are never initialled by the Judge?—Never.

Q. Let us suppose that the Judge were to put his initials at foot of a “slip,” in order to identify it, or for any other reason, and that subsequently another judgment should be drawn up as if the initialling had not taken place; do you consider that in that case the “slip” would have changed its character, that it would be the judgment, and that the draft of judgment drawn up by the clerk and initialled subsequently by the Judge, would not remain the minute of the judgment?—The “slip” would never be anything but a simple note of the judgment, and the draft initialled by the Judge would be the true judgment, because the “slip” does not itself comprise a judgment; it could not serve as a judgment, and we could not enter it as a judgment, since it has not the form of one.

(Mr. Justice Loranger produces two drafts of judgment, on occasions in which he sat in review.)

Re-cross-examined :—

Q. If the note of the judgment entered on the “slip” comprises the substance, the reasons and the decisions of a judgment delivered in open Court, and the Judge has added at foot of those notes his initials, for what reason would you persist in saying that they would not be the minute of the judgment?—That would not be a “slip,” but would be the judgment delivered by the Judge, and there would not be any other.

Q. Then it would not make any difference that that should be entered on a “slip,” or on another paper, provided the substance be such as is above mentioned?—Provided it contains a judgment and the initials of the Judge.

R. A. R. HUBERT.

Judge JOHNSON, being sworn, was examined by Judge LORANGER as follows:—

Q. You have been a Judge in the Superior Court since 1865?—Yes.

Q. You have held Court both in Montreal and the rural districts?—Yes.

Q. So you are acquainted with the practice in different places?—I think I am.

Q. Who do you think, regularly speaking, should hold the book for *enquête*, or merit, is it the clerk or the Judge?—The theory of the law is that the book is kept

by the Court, through the instrumentality of its officers of course. But it is a book of the Court.

Q. But whoever keeps the roll, do you think the entries made in the margin of the roll are authentic entries, but are they not mere memoranda to guide the entry of the proceedings?—Essentially temporary, and subject to be corrected every day, and are so in practice.

Q. Do you think that a party having submitted his case, or in so many words, or by stating that he had nothing to say, is by the fact debarred afterwards to invoke informalities of inscription at *enquête* and merits by the other party?—If the party says he has nothing to say, I understand that to mean what it says. If it afterwards turns out that he said it with a mental reservation, and intended to say something, I should say it was what is commonly called “pettifogging”—bad faith.

Q. Then would you call it pettifogging, or an act of bad faith on the part of a lawyer to take council with another party to let the Judge ignore the fact of an informality; the lawyer not to take advantage of it at *enquête*, but to let judgment go against him, with the intent afterwards of appealing from the judgment by invoking that informality and throwing the costs upon the other party?—That would be plainly a trick, nothing else, punishable, I suppose, by the rules of the bar, in countries where those rules go for something, but not in Lower Canada I am sorry to say.

Q. Then you would think that the Judge who made plain the entry of declaration of the end of *enquête*, in order to make the facts appear clearly, would be doing nothing else, virtually, but defeating that trick and rendering justice to all parties?—The Judge is there to do right, not to do wrong, much less to perpetuate a wrong when he sees it has been done by inadvertence. The book is to record the truth and not to record errors; errors are to be corrected by the Judge; he is there for that purpose.

Q. Then you think it is not only the right of the Judge, but also his duty to correct entries when they are found to be wrong, in order to make them in accordance with the facts?—Well, that is putting it very generally. Judges are generally extremely reluctant to do anything of that sort until they are quite convinced it is their duty to do so.

Q. In this supposed case where the clerk of the Court, having to make up a record, finding there is no formal entry in the book of declaration of closing of *enquête*, and thinking this declaration to be essential or useful, goes to the Judge and enquires as to the fact. The Judge, finding that the party has closed his *enquête* by the very fact that he had submitted the case, would he not only be justified, but would not it be his duty to make a declaration that the party had closed his *enquête*?—The party, by saying that he had nothing to say, as I understand to be the case here, says in effect that he has no *enquête* to make; but if he has an *enquête* to make, he applies for a day. Therefore, when he says nothing, or says he has nothing to say, he says really that he has closed the *enquête*, and nothing else. If the Judge is there for any purpose at all except for a mere ornament, I should think he would be obliged to say to that effect.

By Mr. Irving:—

Q. Under the circumstances, ought not the Judge to put down “*enquête* closed”?—Certainly, not to let any obscurity prevail when none is intended; not to let an advantage be taken of a mere form of words.

By Mr. Baby:—

Q. You consider in that case the record is right?—Most undoubtedly. Errors are to be rectified before they become the truth.

By Judge Loranger:—

Q. Could you tell us to your knowledge what has been the practice of the Court with respect to patent or manifest errors found on the slips after the pronouncing of judgment in Court and before it is registered finally?—The entering of a judgment finally is not on a slip or memorandum. The memorandum is merely for the purpose of conducing to the correct registering of the judgment, and the memorandum must be rectified if it is wrong. I have done it scores of times, and have had it done

for me. There is one case in point before me. I had rendered a judgment in error, the case being for \$40. The error was obvious, but, as the case had been finally entered up, there was no remedy, and I paid the money myself.

Q. But if you had found out the error before you rendered judgment?—Certainly I would have kept the money.

Q. Supposing this case: Two motions are made—one by defendant and one by plaintiff. Defendant moves to reject the depositions. Plaintiff moves to have interrogatories, to be taken *pro confessis*, or a motion similar to that. In deliberating, the Judge puts on his slip, "Defendant's motion granted, plaintiff's motion rejected for want of notice." The parties are represented by the same advocate, their proper advocates being lawyers, strangers to the district. At the bar it is insisted upon by somebody that there has been notice of motion. The Judge says, or is understood to say, that the only objection to granting the motion is the want of notice. The lawyer representing both parties informs the plaintiff's own advocate that the slip contains a rejection of his motion. The advocate goes to the Court, shows the Judge the notice and asks him, or gives him to understand that he wants the judgment to be rectified according to fact, to meet the facts. The Judge without any bad faith, and the judgment is not yet registered, nor has he any interest in the matter whatever, takes his pen and strikes out the words "Rejects plaintiff's motion," and says instead "Grants plaintiff's motion." Do you think, under these circumstances, any blame can be attached to the Judge?—I think in that case the judgment would be one rendered upon verification of facts which the Judge had reserved to himself the right to verify; and it was his duty to render judgment according to the verification either for plaintiff or defendant. If the notice turned out to have been given, it would be judgment for the plaintiff; but if I found no notice I would adhere to the original judgment.

Q. Have you in the course of your practice as a lawyer, or as a Judge, noticed or taken cognizance of charges made in consequence of manifest errors of judgments before their registration?—I have known of such cases; there is a case in appeal, *Palsgrave vs. Ross*, where it was held and always has been that the judgment is to be found in the register of the Court, and not in the slip or guide.

Q. What do you say concerning these slips; do you think they can be, under any circumstances, considered as minutes of judgment?—Certainly not, they are constantly corrected in practise—every day in Montreal, as Mr. Jetté can tell you; the administration of justice would be impossible otherwise. It would lead to endless confusion unless we corrected errors on the spot, because errors will creep in.

Q. Do you mean on the Bench?—Sometimes then or days afterwards, whenever the matter happens to be brought up by the Prothonotary, who is nearly as hard worked as we are. In the country you can verify them in a day after, but we in Montreal can't do it until a great many days after the slips are furnished; whenever we see errors in the slips we don't sign the judgments until they are rectified.

Q. Now, don't you think the administration of justice would be greatly imperilled if errors were to be adhered to, and were not to be rectified before the entering of the judgment?—Of course; the Judge is there to do justice and not to do injustice. If he has inadvertently done injustice he has got to correct it if he is still in time before the registration of the judgment; but if afterwards, it must be taken up on appeal and corrected there.

Q. Do you think, as a matter of public law, that strangers to records have any interest in or any positive right to take advantage of the irregularities committed by Judges in the rendering of their judgments or procedure?

The CHAIRMAN: I think we will not add any more remarks upon that.

Q. Would you be good enough to take cognizance of the Order in Council?—This Order in Council was not passed until I had been on the Bench for three years. I never made an account or kept an account in my life, but I have a very faithful friend named Schiller, who attends to these matters for me; and when this Order in Council was passed he informed me that I was entitled at least to three days' allowance for absence from my residence, which I regularly received until about three months ago,

when having been at the Circuit Court at Soulanges, absent only one day, leaving early in the morning by train and returning late at night, Mr. Schiller sent in my bill as usual for three days. I got a note from a gentleman who is now in the Department of Justice, I think his name is Lash, referring me to the last statute, and as I did not want to higggle about \$12, I said "all right," and received \$6 instead of \$18. Afterwards, having a moment's leisure to look into the law, I found he was wrong and that I was honestly entitled, even by the law, to the \$18, because the proviso in the statute of 1869 evidently applies to the case, that was mentioned in the Order in Council, and that Mr. Lash applied it in error. The matter is perfectly obvious to anyone acquainted with it; by reading Chief Justice Meredith's letter, the inference is irresistible, who himself was the author of the amendment, and it was prepared by the previous Government; and I could claim the \$12 which I have been done out of most assuredly.

By Mr. Kirkpatrick :—

Q. Is there a more recent statute?—That of 1872 refers merely to the criminal side of the Court of Queen's Bench. It merely gave the Judges a right to receive \$100 when they happened to be on the criminal side of the Court of Queen's Bench.

By Judge Loranger :—

Q. Don't you consider that the only effect of the changes of the statute of 1869 and 1872 have been to grant the Judges of the Superior Court £25 when they attended the Court of Appeals; and, secondly, the sum of £25 when they attended the Criminal Term, and to have the right, under the Order in Council, to claim three days, at all events?—It was the practice of the Department of Justice invariably to pay for three days; and when the Government put that construction on their own contract with the Judges, and the Judges assented to it, I don't think there is any room for doubt. At the same time, I must say, if I had to take up the Act of 1872 alone and looked at the mere letter of the law, there might be a doubt.

Q. But since you take them all together, that of 1869 and 1872 and the Order in Council, as a matter of interpretation, don't you believe that the three days are due under the last Act as well as under the first? I don't think it possible to separate the Act from the practice of the Department of Justice and the Order in Council.

Q. To your knowledge have not all the Judges claimed the three days under all circumstances?—I believe so; I have never known of any exception. I never had any opinion on the subject until that letter was received from Mr. Lash.

Q. Judges Berthelot, McKay, Dorion, and all the Judges in Montreal, have claimed the three days, when they were only one day absent?—They told me so.

Q. Is it not customary, and, in fact, is it not the letter of the law, that the Judge has a right to \$6 a day from the time he leaves his house to the moment he returns, without inculding fractions of a day from the afternoon or morning?—Undoubtedly he has.

Q. Supposing a Judge arrives at his place of residence at half-past twelve or at one o'clock in the morning, would not he have an equal right to charge \$6 for that fraction of a day, as if he had arrived at half-past eleven in the morning?—There cannot be any doubt about it—that is, as regards the rights of the Judge; but the public are not always as reasonable in urging their rights as the Judges are. You may find the public and the press kicking up a row through ignorance. It is undoubtedly the law in Lower Canada that there is no such thing as a fraction of a day; all parts of days are *days*.

Q. As to the verification of accounts, I think it is the practice of the Judges to certify to their accounts; but do you know any direct and positive evidence, or the way he can bring direct and positive evidence of the number of days he has been absent from home; is he not considered the sole judge of that question?—I believe any Judge would find great difficulty in bringing conclusive evidence of the number of days of his absence in any given case, unless his word were taken for it, which I hope it would be in any part of the British dominions; because if the word of a Judge is not to be taken, he certainly ought not to be a Judge—that is, if the English view of the office of a Judge is to be taken. He should be above suspicion, and his word

should be above suspicion. There is no room for doubting that a Judge who would tell a lie is not fit for his place.

Q. In travelling on circuit business is not a Judge to follow the ordinary rules of comfort and personal convenience?—Well, I think he would be right in pursuing his comfort as much as possible, but as far as these words apply to Lower Canada, whether he would attain it or not, I don't know. But it is quite certain the allowance is perfectly insufficient. I have been called to St. Jerome, and have paid \$20 for carriage hire besides hostelry bill, and have incurred an expense of at least \$28, while even at the rate I am contending for, I shall only be entitled to \$18. Then I lived upon salt pork and slept upon a straw bed.

Q. I don't speak of comfort as far as the Judge can attain it. I know I did not get much myself for the last few months, but I mean as to the time of day and hour of starting either from his circuit, or getting to his circuit, whether he is bound to get up earlier or start in rougher times than he would if travelling for himself?—Of course he is the proper judge of that; no one else can be the judge for him, according to his health and feelings. He is not required to be an absolute slave, I take it.

Q. Which he would be, if he has numerous and distant circuits to follow?—Of course. When I had two districts, Bedford and Beauharnois, and also occasionally Sherbrooke, I found it as much as I could do by the travelling. I was broken down from travelling, and not from the Judge's labours.

Q. Don't you know it has been the same thing with me?—Certainly.

Q. And besides that I used to follow the Courts of Appeal?—Yes.

By Mr. Irving :—

Q. But in any case in which the Judge has made a determination in a step in the cause, and upon which time or opportunity has been offered for the party in interest to move or act upon the question of the adjudication; has the Judge, in your view, a right to materially change or reverse the same without all parties being before him?—I think not, as the question is there put. But I have repeatedly relied on the good faith of the parties. If they had these little slips, I left it to them to complain, being quite ready to justify myself for anything I had done. Judges must do that, or justice will come to a standstill in Lower Canada.

Q. Would not that involve them giving notice of the change?—I would under such circumstances; I would say, "I am going to alter it, take an appeal if you like."

By Judge Loranger :—

Q. Would you not consider that the parties proceeding on that rectification and not drawing the attention of the Judge to it, or not complaining of it when he had a good occasion to do, would act as if he acquiesced?—Clearly.

Q. And don't you think that the acquiescence of the parties to the rectification of the judgment made in their absence even, would be a confirmation of the alteration?—Clearly.

By the Chairman :—

Q. In Lower Canada all judgments are delivered in open Court. Do I understand you to say the Judge can alter the judgment and make it different from the judgment entered in open Court?—Not in principle. If I render a judgment maintaining a certain principle, I may not alter that principle afterwards.

Q. Let me suppose another case: If you have rendered a judgment in open Court, under the impression that you have overlooked a piece of procedure that would be necessary to come to a conclusion, you afterwards find you have committed an error; do you consider you can alter the judgment in the register from what it was in open Court?—Not without further exception in public. I would order the officer to give notice that I wanted to explain it. I would stand by the consequences if I thought I was right.

By Judge Loranger :—

Q. You would stand by the consequences if even the parties thought you were wrong?—Undoubtedly.

Cross-examination waived.

Committee adjourned.

F. G. JOHNSON.

Judge RAMSAY was sworn, and examined by Judge LORANGER as follows:—

Q. How long were you an Associate Judge of the Superior Court?—Rather more than two years; two years and some days.

Q. How long have you been in the Court of Appeals?—Since the end of October, 1873.

Q. Suppose the following facts to be admitted as true: A defendant is sued on promissory notes, he pleads to the case, the plaintiff's *enquête* is fixed for a certain day, say the 19th May; on that day he closes his case; the defendant's *enquête* is fixed for five months afterwards, say the 3rd October; on that day, the case being called, the plaintiff prays for judgment; the presiding Judge addresses the defendant and asks him whether he has any *enquête* to make, or whether he has anything to say; the defendant answers that he has nothing to say and submits his case, upon which the Judge writes these letters in the roll of *enquêtes* and merits: "P.O.C.A.V. Judgment is rendered against the defendant." The clerk of the Court, having to enroll the proceedings and to make a transcript of the case, asks the Judge whether the defendant's *enquête* has been closed; upon that the Judge strikes out the letters P.O.C.A.V., and for the guidance of the clerk writes these words: "The defendant declares his *enquête* closed," and underneath re-establishes the letters P.O.C.A.V. Do you consider that in submitting his case and saying that he has nothing to say the defendant has virtually closed his *enquête*?

(Question objected to by Mr. BROUSSEAU Objection overruled after discussion.)

A. I think he has absolutely closed his *enquête*.

Q. Do you consider that in inserting in the roll-book or entry-book that the defendant has declared his *enquête* closed that any blame is to be attached to the Judge; or whether he has not only done what he was bound to do, viz., to complete the entry?—I think that the Judge who makes the entry has clearly the right in good faith to complete his entry, so that the parties may not be injured by a mere omission on the part of the Judge. In explanation of my answer and to avoid misconstruction upon a matter of the highest importance, that is, the integrity of records, I make a distinction between an entry in a memorandum book kept merely to preserve the course of the proceedings and a record regularly closed. If a Judge closes a record any alteration of that record after it was closed would be a *faux*, and I believe can be inscribed against as a *faux*. There was a decision in lower Canada opposed to this opinion, to the effect that an inscription *en faux*, or to use the new English word "improbation," cannot be brought to attack a judgment. I think differently. But I make this distinction that the case represented to me is not that of a record closed or judgment entered up, but merely a memorandum in order that the clerk of the Court may terminate the proceedings in a formal manner.

Q. Then you consider that the entries made by the Judge at *enquête* are notes or memoranda for the guidance of the clerk; and has not that been the practice followed by yourself and the other judges of the Superior Court of Lower Canada?—A memorandum book is necessarily a memorandum book; it could not be given any form but that. The appearance of entries in the book produced shows that they are totally informal. They are full of blanks. They are not continuous, nor is there anything to give them the appearance of formal records. I really don't know what we did in these matters some years ago. I never imagined that a question of this sort could arise. As to what the practice was, I really do not remember. It differed in different circuits and in different districts. A great deal depends upon the ability of the clerk. When I had business to despatch and found the clerk not well up to his work, as they are sometimes to be found in country places, I have made the entries myself. I put them down in good faith and as I understood them to be. I do not remember that I ever looked upon a book of this kind as anything but a mere memorandum book. I think the book speaks for itself. Of course you will understand that when I speak of a change of this sort, it is a change in accordance with the fact.

Q. What would you consider this book (produced)?—Having looked at a book produced before the committee and inscribed as a "*Rôle d'enquête et de droit*," I say this is such a book as I should consider a sort of memorandum book. It is in the

form of a memorandum book and the white column left here is evidently for memoranda and the notes of the Judge, when he writes them himself, or of the clerk.

Q. Would you be good enough to look at the entry book of the Circuit Court of Sorel, which you held in 1871, and say whether some entries similar to those have not been made by yourself?—I see my handwriting in several places in this book. It appears that on the 8th January, 1872, I entered in the case of *Barthe vs. Millette* the words "Parties heard *del.*" There is also another entry in my handwriting, "69---A. u. Jan.," for January I suppose.

Q. Do you look upon those entries as being anything but memoranda or notes written for the guidance of the clerk?—They are evidently memoranda, many of the words are only written in abbreviation.

Q. Memoranda for the guidance of the clerk?—For the guidance of the clerk; it is not the judgment of the Court.

Q. Do you consider that in closing his *enquête* and submitting his case without reservation the party waives his right to plead short or insufficient notice of the inscription of his case by the adverse party?—I can best answer that by citing what happened to me in my own practice; being a little addicted in the early days of my practice to raising all kinds of objections, a habit which is not uncommon among young members of the profession; I once raised an objection of this sort before a very learned bench then existing in Montreal, of which Mr. Justice Day was presiding judge, which was declared to be a formidable one. I was afterwards told, however, in spite of this, that my motion could not be allowed, because trifling matters of procedure which were established in favor of the opposite party are waived by any proceeding taken subsequently. I believe that was known to a great many people then, but I did not know it as well as I do now.

Q. But as a Judge?—If you ask me in that capacity, I will say that a simple irregularity in procedure is covered by a subsequent valid procedure.

Q. Do you consider that after judgment that a party who has submitted his case could in revision or in appeal, obtain a reversal of the judgment merely because there would be no formal declaration of closing of evidence, when the entry book did show that he had in fact submitted his case?—There can be no doubt that if he had closed his case he could not go back upon the mere want of a regular foreclosure. A great many records do not show the closing of the *enquête*. It is a very common thing not to show the closing; it is an omission, but not an uncommon one.

Q. You call foreclosure of the *enquête* the same thing as the closing?—I mean the regular closing; there are two closings—one declaring against the party forcibly, and the other when the defendant declares the *enquête* closed. If there was acquiescence in the foreclosure afterwards this acquiescence clears away the difficulty. This is on the same principle that acquiescence in judgment prevents an appeal.

By Mr. Jetté:—

Q. Would arguing the case immediately afterwards be acquiescence?—Yes.

By Judge Loranger:—

Q. Is not submitting the case the same thing as arguing the case as far as acquiescence is concerned?—Clearly.

Q. I presume you are acquainted with the practice called slips. Do you look upon the slips in any other light than that of a note or memorandum, or direction given by the Judge to the Clerk to draw the judgment?—In answer to that I may say that I never have performed the duties of Judge of the Superior Court in Montreal; and although I am aware that slips do exist and things are entered upon those slips, I may say that during my practice at the bar I never looked upon them in the peculiar point of view of this investigation, and I am not prepared to say what interpretation might be put upon the entries of the Judge on them. I have never looked at the thing in that way. I take it, however, that the slips are memoranda. I do not know but they might take the place of that book (the roll of *enquête*) to some extent, but I cannot say. They may be sometimes signed and take a more formal character. I am not prepared to say.

Judge Loranger here produced an Order in Council of 27th October, 1868, fixing the travelling expenses of the Judges of the Superior Court.

Q. Will you be good enough to say what is the practice with regard to the remuneration of Judges for travelling expenses, and that coupled with the Order in Council, 29th October, 1868, and the provisions of the statutes 32 and 33 Vic., chap. 38, and 35 Vic. chap. 31?—The Order in Council had ceased to be in force as being the law by which Judges charged their travelling expenses before I was on the Bench, and I never saw the Order in Council in my life. When I was put on the Bench I was totally ignorant of the existence on the Statute-book of the statute which took the place of the Order in Council. Traditionally I was under the impression that the Order in Council still governed the thing. At first I had no knowledge of how these travelling expenses were charged. We charged \$6 a day in consequence of my hearing that this was generally charged. In some cases this was to my loss, because there were places to which I went but for a single day, and finding little or no business I would close the Court. I went on charging at this rate, the same for one as more days, till my attention was called to the fact that I had a right to charge three days as a minimum. My attention was then drawn to this statute. After that, when I sat for only one day I charged three days for it, and I was always paid at the rate of \$6 a day. I now come to the second branch of the question, as to the mode in which I interpret this law. I really did not observe the difficulty until my attention was drawn to it very recently—I think it was only yesterday. And then I saw what everybody must see, that according to the strict words of the statute the three days' rule only applied to "the two last cases." If you read the Statute you will there see under the proviso beginning with the words—"But this provision does not apply to the attendance of a Judge of the Superior Court and the Court of Queen's Bench, or for the purpose of disposing of cases already heard," it might be possible to interpret it so that this three days' rule applied only to this part of the section. But if the Committee will examine it according to the reason of the law, they will see that could not be the interpretations because there are not two cases at all; there is only one case. It is only the case where the Judge shall appear for part of the term and for the purpose of disposing of cases already heard,—that is when the Judge appears by the day and not by the term. That is the whole object of the proviso. According to the rules of interpretation where the reason of the law does not favour the interpretation, a cause of this description does not refer to the proviso but to the whole section. It must be observed that the two cases, which it must have been intended to refer to, were the two cases where the Judge is a Judge of the Superior Court or of the Court of Queen's Bench, and is absent from his residence. That is a reasonable reading of the law. It would be manifestly absurd to say that one Judge who was absent from his residence for one day to do a particular thing, should be paid at the rate of \$6 a day, for three days; and another Judge when he was absent performing precisely a similar duty could not be excluded, it is perfectly plain that the interpretation which we have always given, applies to all cases in which a Judge of the Superior Court, or the Court of Queen's Bench, is absent from his residence for the purpose of his judicial functions. If it does not mean that then all I can say is that I am afraid the whole Bench will be open to the censure of this Committee, and certainly I am.

Q. That impression agrees with the Order in Council?—It was evidently intended to incorporate the Order in Council in the Statute.

Q. Is the provision in the Order in Council in the Statute?—There was no intention to change it. It was to give us the allowance as a right, instead of leaving us at the will of the Government. We come to another change of the law which took place in 35 Vic., that is 1832. I believe this change took place without any idea of changing that portion of the law at all. Everybody knew of the three days' rule. The Government never called it in question; they paid it, and acknowledged it as a right. There was no difficulty about it. They knew it in the Minister of Justice's office just as well as we did, and they sanctioned it. As far as that is concerned, I

do not think I am required to enter into any defence of myself. I charged it, and I think I had the right to charge it. While I was in the Superior Court a distinction had been made under 32 and 33 Vic., between the Judges of the Superior Court holding a Criminal Term, which is the Term of the Court of Queen's Bench, and the Judges of the Court of Queen's Bench, holding a like Term. This distinction was brought under the notice of Chief Justice Meredith. I drew his attention to the fact that this interpretation was bad, and gave rise to an invidious distinction injurious to the position of the Judges of the Superior Court. I told him I considered the section did not properly bear the interpretation that was put upon it; that it created an invidious distinction between one class of judges as to another, doing identically the same work. I mentioned it to Chief Justice Meredith, and he agreed to some extent in my criticism.

Mr. BROUSSEAU: I object to evidence by hearsay.

Witness, by permission, proceeded: Having talked with him on the subject, and he objecting to take any part in it, I said it was my intention to bring it to the notice of the Minister of Justice, so that this distinction should cease to exist. I determined to do it in a formal manner. I did it thus:—Interpreting the Statute according to my view, I charged \$100 for one whole term of the Court of Queen's Bench, where I had only been a few days. Of course the thing was criticised. The Deputy Minister of Justice wrote me to say I was not entitled under the Statute to charge \$100. I wrote back to the Deputy Minister of Justice explaining the interpretation I put upon the law. We could not agree, and I declined to accept travelling allowance for a number of days, whereupon my bill was cut off altogether, which I expected. I refused to take less remuneration for the future than the Judges of the Court of Queen's Bench, and I resolved not to send in any bill for the Court of Queen's Bench, for I did not consider mine an illegal interpretation of the law, and I thought the lesser remuneration was injurious to the Court of which I had the honor of being a member. This law (the last one) was passed, and we were actually paid some Terms in arrear; I forget what, but certain arrears to cover, I think, a year's holding of these Terms, or the difference charging by days, not by Term. My impression is that 35 Vic. was only altered with the view of making that change. That is my recollection of the law now. The three days' rule was continued—as in the former Statute, and as it had been paid under the Order in Council.

Judge Loranger here handed to the Committee a written opinion of Judge Meredith on the point.

Q. Are you aware that in a number of cases before the Courts of Quebec, judgments written on slips of paper, or pronounced on the Bench have been altered by the Judge in consequence of manifest errors discovered since judgment, and before it is registered in the books?—I cannot say that I know of any particular case of that sort. But I have always understood, and I believe it to be lawful to alter, as I have already said, in good faith, a memorandum, or a slip of paper, or any blotter book until the judgment is entered up.

By Mr. Irving:—

When?—While the case is still under our control. When the case is regularly entered up it is different. Of course there must be finality. It is not at the moment you render the judgment that you can reduce it to writing. There must be a space of time, and it may be a violent abuse of principle or the most ordinary thing in the world; it depends upon your good faith. Of course this is while the matter is quite fresh in the Judge's memory, and must be in perfect accordance with the fact. I have heard that slips have been altered in this way. There have never been any suspicions as to Judges improperly altering slips in Montreal during my practice, and my attention has not been drawn to it. It has been the cause of remark, but not of such remark as to impugn the honesty of the judge in doing it.

By Judge Loranger:—

Q. Is it not considered as a general notion in the Province of Quebec, that as long as the judgment of the Court is not registered it does not cease to be under the control

of the Court or the Judge?—Certainly it is not beyond his control; and as I have said it is almost necessary that this should be so. Frequently judgments are not reduced to writing before they are pronounced in Court.

By Mr. Jetté:—

Q. Do you consider any alteration would be lawful?—Not the substance, after being formally pronounced.

By the Chairman:—

Q. Suppose this case: A motion is rejected; this is put on the slip, and the judgment is delivered on the Bench; would the Judge be justified, if in a few days he finds he has committed an error, from a false impression, in completely altering his judgment and in granting the motion?—You may distinguish in this way: Suppose a motion passes upon the supposition, we will say, that there has been notice. But in the verification it appears there was no notice; manifestly the Judge would commit a fraud upon the parties if he entered up that judgment, and most disastrous consequences might follow.

By Mr. Brooks:—

Q. Although he had granted it on the Bench?—There are matters of form and matters of discipline. As we deal with the Bar we expect the Bar to deal with us. If I decide on the merits of the case and I make an error, I clearly have no right to “go back” on that decision, because that would render the administration of justice uncertain. But suppose I have been led astray by bad faith (which I have never met with), or through a misunderstanding a lawyer obtains a judgment, and it be not entered up, a Judge would have the right certainly to revoke it while the thing was still open.

By the Chairman:—

Q. How do you understand a judgment being open?—Not being entered up, and the Judge would explain to the lawyer: “You have led me into an error, and I shall not enter the judgment I rendered.”

By Mr. Irving:—

Q. After an inscription for review has been filed, would you consider your control over the case in force then?—If the judgment was entered up, yes. A case came up on appeal the other day. The minutes came up to us imperfectly set forth; the parties consented to go back and we sent it back, as the minutes were manifestly incorrect; the Court below altered and corrected the record. That is done under the code. There is a distinction where it is a matter of discipline; when a Judge decides upon the merits of a case, and he declares for a party openly in Court, and there was no error of procedure, then the judgment is a valid one, but if the judgment was rendered merely by the Judge being misled, then the Judge would be justified in altering the judgment; I should not hesitate to do so myself.

By Mr. Baby:—

Q. It is argued that the judgment has not been given. The Judge rejects the motion on the point that he was misled as to notice being given, say, by the plaintiff to the defendant. But the lawyer for the latter shows two or three days afterwards that notice was given and is in the record. Could not the Judge then, in the interests of justice, change “defendant” to “plaintiff?”—I don’t think he should do it in that case if I quite understand you.

By the Chairman:—

Q. Then you would order the Clerk not to enter the judgment against the party?—Yes.

Q. Supposing the motion is dismissed on the ground that there was no notice, then the plaintiffs’ attorney comes in Chambers and shows that you were in error; then would not the Judge grant the motion?—I don’t think I should enter up a judgment for the other party in Chambers.

By Judge Loranger:—

Q. Supposing two motions are made—one by the defendant to have certain depositions rejected; the other by the plaintiff to have certain interrogations taken *pro confessis*. The case is argued before the Judge. In deliberating he is of the

opinion to grant defendant's motion, and also to grant plaintiff's motion, as being motions of course, or nearly such. But not finding notice of motion given by plaintiff to defendant, he puts on his slip that plaintiff's motion is rejected for want of notice. He comes up on the Bench. Interested lawyers being strangers to the place are not present in Court, but are there represented by some lawyer belonging to that Bar. In giving judgment the Judge says: "I grant defendant's motion and I don't grant plaintiff's motion, because there is no notice of it." A remark is made to him in presence of the lawyer representing both parties that he is under a mistake—that there is notice in fact. Then he gives them to understand that in that case, if there was notice plaintiff's motion must be granted. Subsequently the lawyer representing both parties writes to the plaintiff's attorney that on the slip of paper his motion is rejected. That lawyer comes to Court with the lawyer representing both parties. They go to the office and sees that the slip of paper rejects plaintiff's motion. The plaintiff's attorney comes to the Judge's chamber and shows him that he has given notice of his motion and desires the Judge, or gives the Judge to understand that he wishes him to give judgment according to the facts. Upon that the Judge in perfect good faith, having no interest in the world to act wrongfully, changes his slip and maintains plaintiff's motion. Do you think that on that account any blame is to be attached to him?

The Chairman: I will remark this is not exactly according to the facts.

Judge Loranger: At all events I should like an answer upon the facts as I state them, and as I see them; and I don't want to discuss that point.

Judge Loranger's question is put as an hypothetical question. As he has put it, it would clearly be within the Judge's right to alter the slip. The question is alluded to on the Bench, and it is perfectly understood. It is a judgment *a verifiter*.

By the Chairman:—

Q. If no remark had been made on the Bench?—

Witness: You mean to say if he dismissed the motion he then entered it in the other way?

Chairman: Yes.

A. I cannot say that he would be justified.

By Mr. Kirkpatrick:—

Q. If he sent for the lawyers on both sides?—Oh, certainly. The Committee will understand the governing point in such matters in good faith.

Cross-Examined by Mr. Brousseau:—

Q. In your opinion, Mr. Judge, in the Superior Courts, or by some rule of practice having the effect of law, is it binding on the clerks to keep a book or register for the inscription of cases, and for the entry of the sittings of Courts and the proceedings of the parties in Court?—All Courts of Record have records and registers for the regular preservation of their proceedings. These registers are written out from memoranda taken at the time, more or less full, according to circumstances. In Courts of Criminal Jurisdiction the memoranda are as a rule written out while the Court sits, but sometimes afterwards. The clerk asks the Judge what the decision is and he is given the memorandum. I could not tell you, without enquiry, the origin of the registers in Canada.

Q. Are you of opinion that the clerk of any Court of Record, such as the Superior Court, is bound to keep a book or register for the hearing of cases in Court, either *enquête* or merits?—He is bound to do it. He is bound to have such a register.

Q. Besides this special register, is the clerk bound, in your opinion, also to keep another register, called "Plumittiffs," in which he also registers the proceedings of parties?—Yes, but the "Plumittiff" is "B" the formal register of the Court, in which form the memoranda and the regular judgments are entered. These are made up in the office and not in open Court at all.

Q. Which of these two registers is the register for all the proceedings or declarations of the parties, while the Court is in sitting?

Witness: I don't know what you mean.

Mr. Brousseau: I refer to both books.

A. I have already said that of course the Court keeps regular registers. They are not entered upon the spot. The time for entering would perhaps vary in different districts, as also the manner of doing so. But the general plan is to enter them from the memoranda of the Judge or clerk. There is a difference between appealable cases and non-appealable cases, and there is difference of practice in the various Courts.

Q. From the above are we to understand that the register book for the inscription of cases, *enquête* or merit, is not what you call a regular book?—From the above you will draw the deductions you please. The distinction I make is between the memorandum book—whether it is ordered by law to be kept or is only done so from usage—and the writing out the requisite *in extenso*. I take it the plaintiff is the register *in extenso*.

Q. Are you of opinion that entries made in these books, the Court sitting, with the approbation of the Judge, by the Prothonotary or by the Judge himself, in the presence of both parties, are authentic, and should be referred to in making transcripts of the proceedings to cover the record in repeal or review?—Generally, yes.

Q. Where the case is merely called out by the pronouncing of the name of the party by the Judge on the Bench at *enquête* or merit, and that party says nothing, or his attention being called to the case by the Judge, the party still says nothing, or says, "I have nothing to say," in your opinion what proceeding or what entry should be made by the Judge or clerk in the book?—It might be entered in so many different ways that it really depends upon the literary taste of the party. The fact would be that the gentleman who stated he had nothing to say had declared he submitted the case to the Court. It cannot possibly mean anything else.

Q. Do you think it fair to a party who says he has nothing to say, or that he would not say anything, for the Judge to enter that he had declared or said that he had closed his *enquête*?—If that was the impression he conveyed, it certainly was.

Q. But if the Judge, instead of making that entry, had made no such entry, the Court then sitting, do you think it would be fair to that party that eight days after judgement had been given in the case, or after inscription had been filed by the same party for review, that the Judge, or anybody else, should alter the entry in the book by erasing the primitive entry and substituting the words: "The defendant declares his *enquête* closed"?—Yes; I think he would be quite justified, even after inscription in review. If the matter was made to appear in review, so that there could be no doubt that the entry was not made according to the real facts, even then it could be corrected. We did it in the appeal not very long ago. We sent back the record to be corrected, and the Judge objected to it for some time, he saying that he did not want to be involved in the matter at all. We insisted upon its being done and it was done. There is an article in the code under which it can be done, but I forget its number. The inscription in review would not alter the matter at all.

Q. Do you think it would be fair for the party that such an alteration, under such circumstances, should be made without his knowledge?

Witness:—Do you mean to say without his leave being asked for?

Mr. Brousseau:—Yes.

A. If it was an open thing in Court, I don't think his presence was necessary. He is supposed to know the record is imperfect.

Q. Suppose a party had inscribed for review, in consequence of the insufficiency of delay in the notice of the inscription at *enquête* or merit, and had never taken any proceedings whatever since such inscription was filed; and having inscribed the case in Review with the hope of getting the judgment reversed, merely on that point (the insufficiency of notice) would you think such alteration of the book fair to that party without giving him knowledge of it?—It would be unfair both before and after inscription, whether the party got knowledge or not, because the case now put is the correction of the book against the fact, and not in accordance with the fact. It would evidently be in bad faith to correct the book against the fact. The case presented to me now is totally different from that presented before; and therefore my answer is perfectly consistent. It differs in this, that the parties take no valid pro-

ceedings to cover the former irregularities, while, as in the other case, it is said the party absolutely consented to submit the case.

T. K. RAMSAY.

(Translation.)

The Honourable the Chief Justice of the Court of Appeals of the Province of Quebec, having been duly sworn, deposeseth and saith :

Q. You were called to the Bar in 1842?—Yes, I think it was in the beginning of that year.

Q. You practised until the month of May, 1874, that is to say, up to the time when you were appointed to the office of Chief Justice?—I uninterruptedly practised my profession at Montreal until I was appointed Judge.

Q. Will you state what is your opinion as to the duties of the clerk and of the Judge, with respect to the keeping of rolls of *enquête* and of law; please state whether it is the duty of the Judge or the clerk to keep that register?—The practice is for the clerk to keep the register, and he ought to keep it conformably to the orders of the Judge; and it is the duty of the Judge to see that all the entries are made as they ought to be made.

Q. As to the entries which are made by the Judge on the roll of *enquête* and of law, do you consider that when it is the Judge who makes them, those entries are made for the guidance of the clerk?—The practice in the District of Montreal is for the Clerk to keep the register of *enquête* and of law as a memorandum; I cannot say exactly what the practice may be in the rural districts.

Q. Are those not only notes to guide the Clerk?—Those are only notes which the clerk takes at the hearing, and which afterwards can be verified by the Judge, if any difficulties arise; the Judge may correct them or have them corrected; that is the practice.

Q. Then it being competent for the Judge to correct the entries, or have them corrected when they are incorrect, if he does it in the place of the clerk, this should naturally be within his power?—Supposing that the Judge himself keeps the minutes of judgment; if he perceives that there is an error, he ought to be able to make the correction according to circumstances; I do not say a long time afterwards.

Q. But within a reasonable time, under circumstances of necessity, and in order to render justice to the parties?—As I have just told you, that would depend upon circumstances.

Q. Well, sir, do you consider that a party whose case is inscribed for *enquête*, the defendant for example, and the plaintiff having closed his *enquête*, the case being called, and the said defendant declaring that he has nothing to say; do you consider that by that very fact he declares that he has no *enquête* to make, and submits his case on the merits?—If the case is inscribed for *enquête*, and it is ready to be heard, and the parties are in Court; if one party declared that his *enquête* was closed, the Judge can enter that the parties were heard, by reason of the very fact that the other party declared that he had nothing to say. I am sure that in one half the cases which come into appeal there is no entry at the closing of *enquête*; but it is well known that none of the parties can take advantage of that in appeal, nor cause a re-opening of *enquête* on the pretext that his *enquête* was not closed, or at least recorded as having been closed. I may add that during my practice as advocate, very often there was no closing of *enquête*. The two advocates in the case met and stated whether the *enquête* was or was not finished, they did not take the trouble of entering that in the register, they simply inscribed the case. In my opinion the declaration as to closing of *enquête* is not necessary.

Q. So that the declaration of the closing of *enquête*, when the parties have been heard, would be a superfluous declaration?—I conceive that that declaration is not necessary, and that if a party wishes to take advantage of the fact that the closing of

enquête has not taken place, he ought to do so at the time of the hearing if he is present. If the hearing had taken place in his absence it would perhaps be somewhat different, but if he is present he has no grounds for complaining later.

Q. Do you consider that a party who submits his case for hearing on the merits by that act covers any informalities in the inscription for *enquête* and merits,—for example: insufficiency in the notice for inscription?—As a general rule all informalities of procedure are covered by subsequent proceedings of the party who complains of the irregularity, if he has not taken advantage of those informalities.

Q. Would a case coming into appeal with the memorandum only that the parties were heard, P.O.C.A.V., when in fact the case was submitted, be subject to reversion in review because there was not a declaration of closing of *enquête*?—I have already answered that one half of the cases which go into appeal have not the declaration of closing of *enquête* in the records, and the fact that the parties were heard covers the want of mention of it.

Q. Having supposed the fact that a defendant had submitted his case on the merits in Court, and virtually closed his *enquête*, the clerk, having to make the transcript, and asking the Judge if there really had been a closing of *enquête*, the Judge then writing in the register that the party had closed his *enquête*, believing that by doing so he recorded the facts as they really occurred,—is it your opinion that the Judge is blameable and would do an injury to the defendant?—The entry of the declaration of the closing of *enquête* being in my opinion useless, when the parties have been heard on the merits of the case, there would be no injury done to any one of the parties by making that declaration; and it appears to me a matter of perfect indifference whether that entry was or was not made after the sitting of the Court.

Q. I think that at Montreal, when you were in practice, the use of slips was introduced?—I know that formerly the Judges gave their judgments on sheets of paper, which afterwards served as notes by which the clerks put that into shape. Judgments are not in Lower Canada what they are elsewhere; it is necessary to give the grounds, matters of fact and points of law with the decision, which is the condemnation. Now that preparation requires more care, and the Judge (of the Superior Court I mean) in the press of business puts his notes on a quarter of a sheet of paper which he gives to the clerk, who thereupon draws out the judgments in definite form. I do not speak of what has been done in recent times,—I have had nothing to do with practice for several years; but during twenty-five years I always saw it done in that way.

Q. So that the slip is only a note for the Clerk?—Yes, a note or a memorandum.

Q. Which is not the minute of judgment?—No.

Q. The grounds, so and so; such and such a fact; judgment for such an amount; and then the clerk puts the judgment into definite shape?—It is submitted to the Judge when once drawn out, who examines and puts his initials on it.

Q. Then the minute of judgment is the judgment drawn out by the clerk, and not the slip?—The evidence in the registers is the minute which is drawn up by the clerk in accordance with the written notes, and which is then approved by the Judge, who puts his initials on the back. That judgment is entered in the registers and remains in the record, but it is not the slip which is the judgment, the judgment is the minute drawn up by the clerk.

Q. There cannot exist a judgment properly so called unless it includes and expresses a condemnation; that is to say, an executorial provision and grounds therefor in case the Judge thinks that he should give them?—The mere mention of the words on the slip "Judgment for the plaintiff," "action dismissed," "motion granted," "motion rejected," cannot constitute a judgment in a legal form. The code requires, as I just stated, that the Judges should draw up their judgments, mentioning therein the principal points of law, the grounds in brief, and that they add a decision. Nevertheless, in matters of little importance, and on motions, Judges will put—"motion rejected" or "granted with costs;" sometimes they will record thereon other proceedings. But in more important matters a judgment is subsequently drawn up, as I have said above, based on those matters. Nevertheless, a judgment is not always drawn up,

and then the entry is made in the register in accordance with the notes taken by the clerk in Court, and sometimes the Judge himself gives the notes, as, for example, in contested cases where the judgments always contain certain grounds with more detail.

Q. But at all events the judgment, to have force as such, should contain a statement,—the following or an equivalent statement: “The Court grants or rejects the motion,” “grants or rejects the prayer,” in such way that a copy by itself in the register makes it evident that there exists an executory judgment?— It is the register which contains the judgments; the granting or rejection of a motion is entered in the registers with all the formalities, the name of the parties, the day of the Court, the name of the Judge who presided over the Court; after that, one of the parties having been heard, the other makes default, the Court grants such a motion, etc., etc. In that way it is the register which records what was the motion and what was the judgment on the motion, and that entry is made by the clerk, who takes down on the back of the motion the decision of the Court.

Q. Do you consider that there really exists an authentic judgment or a legal proof of the judgment, before the Judge has examined, approved or initialed the draft of the judgment or minute which remains in the record?—In the Court of Appeals there does not always remain in the record a minute of the judgments rendered; it is the register that contains the judgments and that is the judgment of the Court.

Q. In the Superior Court does not the draft of the judgment remain in the record?—In the Superior Court I think the practice is to leave in the record the draft of the judgment as approved by the Judge; I mean by the draft of judgment the writing prepared by the clerk from the notes of the Judge and containing all the essential formalities which constitute the judgment itself; I have stated that in the Court of Appeals the draft of the judgment does not remain in the record; I am not certain that that never occurs; I know that they have often been returned to me; I think that the clerk makes two copies and it is for that reason that my originals were returned to me.

Q. Is it not true that in order to meet the exigencies of practice and to render justice to the parties, the Judges are sometimes obliged to make in their judgments, before they are entered in the register, alterations or changes, the result of evident mistakes, and of the discovery of some matters of existing facts, and that too after the delivery of judgments?—As I have stated, in the Court of Appeals the greater part of the judgments are drawn up before they are pronounced; the Court pronounces them and the said judgments are delivered to the clerk with instructions to complete them, as respects the form let it be understood, in a word to fill up the judgments. He has furthermore precise instructions to complete carefully all that refers to dates, and sums of money, and if there is anything which is not correct, to show it to the Judge in order that the involuntary error may be corrected before the entry is made in the register. It is part of the instructions of Mr. Marchaud to look after, and to have corrected, all that does not appear to him to be correct. Accidents of that kind sometimes happen and judgments have been corrected before being entered in the registers at Montreal, that is to say, the judgments entered in the registers after such alterations have not always been the same as the judgments which were prepared beforehand, or at the time of the delivery.

Q. Can you cite any case of that nature?—I can cite a case which I remember. A motion was made in Court to have an appeal rejected because the record had not been sent up on the day on which the writ was returnable. The motion was made in Court, the appellant did not appear, he was called and default was recorded; the motion was granted from the Bench. Thinking that notice had been given, the defendant was called, as I have just said, and his default recorded. Thereupon, Mr. Marchand perceiving that there had been no notice given, came to me and told me that the motion had been granted without notice given. I at once said to Mr. Marchand not to enter judgment, and to notify Mr. Prévost himself, who was the advocate who had made the motion. Mr. Prévost came and told me that he had followed the practice of the Superior Court. I explained to him that in the Court of Appeals things were conducted differently,—that by the jurisprudence of the Court

the appeal could not be dismissed unless the appellant had been summoned to hear himself declared in default,—that the judgment could not be entered and his motion must be rejected. If that judgment had been entered it would have been an injustice, since the writ had been returned on the very day or the evening before that interview with Mr. Prévost, and the judgment would never have been pronounced if the Court had not been under the impression that a regular notice had been given to the opposite party.

Q. Was it not on the day after that on which the error was discovered that you procured the entry of a judgment which dismissed the motion?—Yes, I think so; at all events, it was only after Mr. Prévost had been seen, but I cannot say precisely when that took place. I had said to Mr. Marchand: do not enter the judgment, the motion must not be granted.

I must say that I have since been more particular in asking in Court, before rendering judgment on motions, whether justice had been given to the parties; and I directed Mr. Marchand to see to that in a special manner, and if the notice was not regular, not to enter a judgment rendered without a verification having been had on that point. It would, without doubt, be better to verify that beforehand; but as there are sometimes a considerable number of motions, if it was necessary to verify beforehand it would be a work which would occupy much time, and cause confusion by interrupting the proceedings of the Court; and if a motion is granted, we verify afterwards, in order to make sure that the notice was regular. Those judgments are deemed to be rendered subject to verification and are only entered in case all the proceedings are regular.

There are, sometimes, also entries made by error, because the Judge has not been heard or understood by the clerk; there is sometimes noise in the Court, and it happens that an error of that kind may be committed. The other day petitions for the admissions as Bailiff were presented. On the next day, or the second next day, those petitions not having been laid before us, I asked the clerk why that admission had been made. He answered me that he had understood that those petitions had been granted. I told him they had not, and requested him to lay them before me in order to see, with the other Judges, whether they ought to be granted or not. There are errors which are perfectly clear and which must be rectified.

I remember another case; the advocates were, on the one side, Messrs. Andrews, Caron and Andrews; and on the other, Mr. McKay, I think. The case was more important than that which I have just cited to you.

It was in relation to a judgment rendered in the Superior Court without costs. That judgment was carried into review and there reversed. The case was taken into appeal. The Court of Appeal reversed the judgment of the Court of Review and confirmed that of the Superior Court. Through a misunderstanding, through my fault, perhaps, I wrote down, or there was written down, "Judgement with costs of the three Courts for the party appealing." Some days afterwards, I received a letter from Mr. Andrews in which he told me that he thought the judgment of the Superior Court had been confirmed, that is to say, without costs.

I took it upon myself to write immediately to Mr. Dorval, directing him if the judgment was not entered in the register, to correct it and to restore it as it had been pronounced, and if it was entered, to send for the advocates and to make the changes with their consent.

On the following day, I think, Mr. Dorval wrote to me that he had sent for the advocates, and that the correction had been made in accordance with the facts.

If Mr. McKay had not been willing to consent to its being corrected, it would probably have been necessary to make a motion in Court in order that the entry in the registers might be changed. I saw no difficulty whatever in making that change, since the judgment had been rendered in that sense.

Q. But still you ordered a correction of the judgment which had been drawn up?—Yes, inasmuch as through inadvertence it had been drawn up containing an error.

By Mr. Taschereau :—

Q. By whom had that judgment been drawn up?—I cannot say whether it was by me, but I draw up most of the judgments; the other Judges in special cases draw up certain judgments. Sometimes at the end or at the beginning, the clerk fills up blanks, which I leave it to him to fill up; and I consider that so long as those judgments are not entered in the register, I have the right to correct them or to have them corrected. As it was drawn up, the judgment of which I have just spoken was not the judgment of the Court, since it comprised an error of one of the Judges or of the clerk.

I saw, the other day, a correction of a figure in a judgment which I had given, and in which I cited Article 1,152. The clerk had put: Article 1,132. Evidently he had taken my five for a three. Mr. Marchand, with his usual attention, saw by verifying the code, that Article 1,132 did not at all agree with my citation. He came to me, and I told him to have the figure corrected since it rendered the reason of the judgment incomprehensible.

Q. At all events, in the last case but one, concerning Mr. Andrews, you caused the judgment to be corrected—that is to say, you caused additions to be made to it?—The effect of the judgment was to grant to the appellant only the costs in review and in appeal, and to deprive him of the costs of the Court below, while by an error in drawing up the judgment, either the Judge or the clerk had put: With costs of the several Courts.

Mr. McKay fully admitted that the judgment delivered on the Bench was different from that entered in the register. The judgment of the Court below had, I think, been delivered by Judge Tessier. I do not remember well what case it was I think it was in a case of *Toussaint* against *Wurtele*.

I shall state again that so long as the judgment was not entered in the registers, I had the right to correct it, or have it corrected, in conformity with the facts.

Q. At all events the judgment, as it had been drawn up, previous to its delivery, and as approved, contained a condemnation of the appellant to the costs of the Superior Court where the case originated, and it is that provision of the judgment which you had changed in such a manner as not to grant him the costs granted by mistake?—I do not know exactly whether the judgment had been drawn up before being pronounced, but this much is certain, that it was so before my departure from Quebec, because I do not leave Quebec until all the judgments are drawn up. It was after having left Quebec and when the judgment was entered in the register, that I was informed by Mr. Andrews that the judgment did not agree with that pronounced on the Bench. I addressed, as I told you, a very precise letter to the clerk, telling him, if the judgment was not entered, to correct it, as I thought I had the right to do.

Q. And did not your letter convey to him that if the judgment was not entered in the register, the clerk should give notice to the opposite party before correcting the mistake?—The facts are as I have just related them, my letter was very precise, I was a little uneasy on the subject, "Correct without giving notice," I had written; "if it is entered, obtain the consent of the advocate, and if he does not consent write to me." Two days after, I think, Mr. Dorval wrote me that he had sent for the parties, and that by consent the correction had been made. I make a great distinction between the book which the clerk keeps, and in which he enters what is done in Court, and the register itself. The book which the clerk keeps at the sittings is only a book of notes, which he subsequently transfers to the register, and those notes may be corrected if there really is an error.

By Mr. Taschereau :—

Q. You speak in this case of the Court of Appeals?—Yes. The fact is that the book of which I speak is a mere blotting book which is kept by the clerk.

Q. I think that although you may not have a personal knowledge of what I am going to ask you, you nevertheless know that the administration of justice in the different districts which I had under my jurisdiction, together with the part I took in the Court of Appeals, either as Judge "*ad hoc*" or as being appointed by a com-

mission issuing from the Executive, obliged me to take numerous and lengthy journeys?—I know in fact that on several occasions the Judge was obliged to travel often and to make long journeys, especially when justice was administered by the same Judge in the two districts of Joliette and Richelieu. Several circuits lie at a great distance from the county-town (*chef-lieu*) where the Honourable Mr. Justice Loranger resides. Besides, I can state that for several years, two or three I think, Judge Loranger attended almost all the Terms of the Court of Appeals at Montreal, which is about forty-five miles distant from the place where the Judge resides. In addition to that the Judge frequently attended as Assistant Judge, as occasion required, the Court of Appeals likewise, at different times, and that required frequent journeys.

Q. Did not Judge Loranger sit in the Court of Appeals as Assistant Judge by virtue of a Commission?—I do not know exactly when that took place, but I know that Judge Loranger attended the Court of Appeals in place of Judge Monk, who had obtained leave of absence.

Cross-examined:—

Q. In the Court usually termed the *enquête* Court, is there not a register in which are entered the decisions of the Judge presiding over the said Court, as to the closing of *enquêtes* and other proceedings?—I believe that in Montreal such a register is kept. I ought to state that the continuation of *enquêtes* is very rarely entered in the register,—at least that was the practice in my time.

Q. When a party on the day fixed for his *enquête*, makes default and does not proceed, is not the proceeding to close his *enquête* the following?—upon the application of the adverse party the order of the Court is to have the other party called upon to proceed, and if the other party does not proceed is not the following entry made: The plaintiff, or defendant, having been duly called and not proceeding, with his *enquête*, the *enquête* is declared closed;—is not that entry made *instanter* or at least during the same sitting of the Court?—In cases inscribed for *enquête* only, when the parties do not proceed by consent, the usual way of foreclosing the opposite party is to go before the Judge on the day fixed for *enquête*, and to ask that the other party be called on to proceed or be foreclosed. If the party who ought to proceed with his *enquête*, gives no reason for not proceeding, the Judge usually declares his *enquête* closed and the entry is made on the *enquête* roll.

Q. Is the *enquête* roll a detached sheet of paper or is it a register?—That roll is a very voluminous register, which, at Montreal, contains four or five hundred pages.

Q. Do you consider that that is a register which it is the duty of the clerk to keep?—It is a register which the clerk keeps, in which he is bound to make the entries of all the orders given by the Court, respecting the closing of *enquête* and other orders. I believe that the decisions of the Judge on objections, are not entered in that book, but that the order given by the Court, either for closing the *enquête* or continuing the *enquête*, are entered there.

Q. Ought not all decisions at *enquête* to be rendered publicly, in open Court, in the same manner as other decisions or judgments which cannot be rendered or pronounced out of Court?—I think that the decisions should be rendered in open Court if the parties require it. But often in practice those decisions are rendered in chambers. The parties go before the Judge, and then go to have the decision given by the Judge entered by the clerk. Strictly speaking, I really think that if the parties required it, the decision of the Judge should be given in open Court, that is to say, at the hearing of the *enquête*; but in many cases the practice is different, and the advocates agree to go to the Judge in chambers.

Q. In those cases is not the Judge then considered as sitting, although not really in the Court Room?—Yes.

Q. In all cases those decisions should be rendered when the parties are present or duly called?—Yes; and if an application is made to close an *enquête* the Judge has the party in default called, in order afterwards to give the order after having ascertained the default.

Q. Would the Judge have a right to make in chambers, and without the knowledge of the interested party, any alteration in the entries thus made in the register of *enquêtes*, the day after, or some days after hearing, and especially after Inscription for Review of a final judgment, or after the proceedings adopted to carry the case into appeal?—The Judge cannot make any alteration which does not agree with the decisions or orders which he has given. But, if after an entry is made by the clerk in the register of *enquête*, which is a book not very regularly kept, he perceives that that entry does not agree with the truth, he would have a right to change it himself, otherwise it would be in the power of the clerk to enter a decision, which the Judge has not given. The Judge ought to be very certain that there is an error, before making a correction; and if there really is an error, it is his duty to correct it. The inscription in review in no wise changes the duty or the power of the Judge; the whole question is to know whether the entry is correctly made, or not. If it does not agree with the facts, the Judge ought to see that it is entered correctly.

Q. So that no alteration can be made in any of these entries when they agree with what the Judge has ordered in open Court?—Properly speaking no alteration should be made in the entries made in the register, unless those entries do not agree with the orders given by the Judge, except in certain cases, as the one I have lately cited, in which the appeal was rejected by the Court, which had never the intention of giving judgment against a party who never had notice to appear. Beyond these cases, the register ought never to be corrected, if the entry agrees with the judgment pronounced.

Q. In the case you have just mentioned you stated that you had informed the advocate of the party, in whose favour that decision had been rendered, and that it was not until after having seen him that you ordered such alteration. Under other circumstances, that is to say, without notice to the Advocate, would you have considered yourself justified in ordering such alteration?—As regards the case which I have just mentioned, I do not think I said that I ordered not to enter judgment, after having given notice to Mr. Prévost. What took place, was, that so soon as the clerk had told me that judgment had been rendered on the motion in question, without the opposite party having received notice to appear, I gave orders not to enter the judgment, and to tell Mr. Prévost that he would not have the judgment he expected to have. Mr. Prévost agreed; but in any case I thought myself perfectly justified in rejecting the motion, even without consulting my colleagues.

Q. What I wish to ask you is whether you would have thought yourself justified in that case, in changing out of Court the substance of the judgment rendered in open Court, after hearing, and without notice to the party in whose favour such judgment had been rendered?—I cannot say what I should have done, if I had been confronted by a very energetic protestation on the part of Mr. Prévost, not consenting to the correction being made; but certainly I should not have had the judgment entered in his favour unless he had himself brought the question anew before the Court; and I have no doubt but that the Court would have declared that the judgment could not be entered as prayed for. I may add that if an advocate, in any position whatever, had attempted to take advantage of a similar error, he would have difficulty in appearing again before the Court, for it might be concluded that he wished to take the Judge by surprise. I will say further that there are many entries which are made on the good faith which attaches to the word of an advocate. Mr. Prévost came in from the country; he thought that at Montreal the practice was the same in the Superior Court and in the Court of Appeals, and I explained to him the difference which existed,—that in the Superior Court the party himself returns his writ, and if he does not do so on the day appointed, the opposite party has the right to have default entered against him without any notice. In the Court of Appeals, it is the clerk who returns the record, and if the appellant had no notice given him, he might on that account be deprived of his appeal, without any fault on his part—it is for that reason that in appeal we require that notice should be given him.

By Mr. Taschereau :—

Q. If I am not mistaken the writ of appeal may be entered afterwards?—Yes, so long as the party has not been declared to have forfeited his appeal by a judgment of the Court.

By Mr. Brousseau :—

Q. You have stated that you would have prevented the entry on the register of the judgment as rendered in the case you have mentioned; but would you have had it entered in the register, otherwise than as it was rendered from the Bench, without notice given to the party?—The fact that the judgment granting the motion had not been entered, was sufficient to show that it was rejected. There are a great number of motions on which there is never any judgment entered, the parties very often withdrawing their motions when they perceive that the judgment is going to be adverse. The fact that the motion is not granted, is sufficient to prevent the party from taking advantage of it. In the case I have cited, I cannot say whether I would cause it to be entered that the motion had been rejected.

Q. If in that case the judgment of the Court had been initialed and handed over to the clerk, in open Court, in the presence of the party in whose favour it was rendered, could the same thing have taken place, that is to say, would you have given the same instructions to the clerk?—The entry of the clerk on the motion and what might have been said in Court, would have made no difference, and even when initialed the judgment would have had no more value than it had.

Q. But if that judgment had agreed with that really prepared in chambers, and pronounced on the Bench, might the same thing have happened, and could that judgment have been subsequently changed in chambers without notice given to the party?—There is no doubt that a judgment rendered with full knowledge of the case cannot be changed after it has been pronounced, except under exceptional cases in which the Court might have been taken by surprise. I will add that in the case which I have cited, if I had not wished to take it upon myself to prevent the entry being made in the register, the absent party might have complained in Court of the entry made in the register, and it would have been the duty of the Court to have had the correction made. There is no doubt that it was the right of the party injured to have had the correction made, or to have prevented the judgment being entered.

Q. Where the Judge, after having deliberated on a case, subsequently renders judgment in open Court in favour of a party, can he, several days afterwards, behind the back of and without having given notice to the party in whose favour such judgment was rendered, after his judgment, even if that judgment was rendered by him in consequence of negligence or some unforeseen circumstance which left him in ignorance of some proceeding or of any part whatever of the record?—The rule is that the Judge neither can nor ought to alter the judgment which he has rendered with entire knowledge of the case, even if he afterwards perceives that there is a mistake either of judgment or otherwise. When he knowingly and voluntarily has given judgment, the rule is that he ought not to make any alteration.

By Mr. Desjardins :—

Q. Allow me to ask a question respecting procedure:—The Judge, not perceiving that notice has been given to a party, dismisses a motion; immediately after, he discovers that the notice was such as the law requires; in that case would he be justified in making an alteration in his judgment?—It is very difficult to express an opinion thereupon. There are cases in which the thing could be done in good faith, in which the Judge might make an alteration in a judgment rendered on a motion of the nature of that mentioned in the question. There are other cases in which that might be hurtful to the parties. In all cases the Judge should be very circumspect.

Q. If the alteration does not injure the parties?—The general rule in that case is to make the correction.

Q. Are not the entries made in the registers or *enquête* rolls the true minutes of

the decisions or judgments rendered in the Court of *enquête*, and are not those same entries carried into the minute book only copies of them, and is it not to the register or *enquête* roll that one must have recourse to be assured of the fidelity of the copy or reproduction in the minute book, if such fidelity is questioned?—As an invariable rule, it is the register of the Court which records the proceedings and decisions, and if the fidelity of that register is questioned, it might be ascertained by the documents in the record and the book of *enquêtes*, if there really is a mistake. Those documents and that book would be the *primâ facie* proof of the true entry. My impression is that it is the register in which all proceedings are entered, which makes conclusive proof thereof, unless the truth of the entries made in the register is contested. In that case, there should be ascertained, by all the possible means, what is the true entry which should have been made, and necessarily the book kept at *enquête* should have great weight in determining that.

Q. That is to say that in case of a disagreement between the minute book and register, or *enquête* roll, the latter, *primâ facie*, would be believed in preference to the former, as being the exact minute of the proceedings at *enquête*, especially when that register is kept by the Judge himself, presiding at *enquête*?—In case of a conflict between the register and the book kept at *enquête*, if there were no inscription in improbation against the register, or other proceeding tending to impugn the truth of the entries therein, it is the entry therein which furnishes proof, but in a contestation one of the means of proof would certainly be the production of the *enquête* book. If not contested, it is the register which furnishes evidence rather than the *enquête* book, which is only a subsidiary book.

Q. Is it not true that the register called the *enquête* roll is kept in open Court, and under the supervision and immediate control of the Judge presiding at *enquête*, while the register and minute book are kept in the Prothonotary's office, and are hardly ever submitted for the examination or approval of the Judge; in a word, that usually they only contain a copy or transcript of the entries made in open Court on the *enquête* roll?—The *enquête* roll is kept by the clerk, and the entries are usually made in open Court, in accordance with the orders given by the Judge who presides at *enquêtes*. Entries are often made with the consent of the parties, and the clerk enters them. The entries made on the roll of *enquête* are afterwards, I think, carried into a book called the *plumitif* (minute book), and from the minute book the clerk carries to the register the entries which are found there (in the minute book.) For a great number of years past I have not meddled with the procedure, but, so far as I can recollect, it is in that way that the entries are made. Neither the minute book nor the roll are submitted to the Judge, unless there is an entry of which one of the advocates complains; but usually they are not submitted to him. The Judge gives his orders, and, unless there is a mistake, the clerk at the sitting executes the orders of the Court, that is to say, makes the entries which ought to be made. As to that there never has been any doubt. But all the registers are under the control of the Judge; and if a party complains, the Judge in that case would take cognizance of the registers and correct them if the entry had been made which had given rise to the complaint brought before him. I spoke of the minute book and *enquête* roll a moment ago; I did not wish to allude to the register, which can only be altered in a case where the mistake is very glaring.

Q. Should not a party who was declared by the Court unduly and erroneously foreclosed from proceeding at his *enquête*, not having been placed in default as to proceeding by a notice to proceed to his *enquête*, or *enquête* and hearing, should not that party, in review or in appeal, get a rescinding of the judgment which rejected the conclusions of his claims or of his defence for want of proof, as well as the rejection and rescinding of the foreclosure recorded against him in the Court of *enquête*?—A judgment rendered under the circumstances mentioned in that question would very probably be reversed in appeal or in review, unless the irregularity which the party had to complain of had been covered by subsequent proceedings in which he had taken part.

That irregularity may be covered in different ways, for instance, by subsequent

motions made by the party without complaining of that irregularity; or, again, by a hearing without such complaint.

It depends greatly on the circumstances; the Court of Appeal or of Review can reverse a judgment if it really sees that the party had suffered.

In case the irregularity was not covered, it is evident that the party would be in the right and that the judgment ought to be reversed.

Q. Is not the effect of the following declaration: "*The plaintiff or defendant declares his enquête closed,*" entered in the said register or roll of *enquête* with the sanction and by order of the Judge holding the *enquête*, to deprive the party making such declaration of any recourse against the insufficiency, the nullity or the irregularity of the notices of the inscription, or against any irregularity of the inscription itself?—If the party proceeds to his *enquête*, or consents to his *enquête* being closed, there is no doubt but such a declaration would cover an irregularity in the inscription for *enquête*.

Q. If such a declaration is entered, to wit: "*The plaintiff or defendant declares his enquête closed,*" would that entry have that effect?—There is no doubt but such an entry would have the effect of debarring the party from complaining of the irregularity of the inscription for *enquête*.

Q. Is there any reason or principle for saying that decisions rendered in the Court of *enquête*, or by the Judge holding it, after their entry in the register or roll of *enquête*, as well as the said declarations therein entered under the sanction or order of the Court or of the presiding Judge, are less valid than the decisions of the Court or of the presiding Judge, entered on the deposition of one of the witnesses, maintaining or rejecting an objection made during one of the sittings of the said Court?—There is no difference between decisions of the Judge presiding at *enquête*, whether they relate to the continuation or to the closing of an *enquête* or to some objection. Each decision is a judgment of the Court and must be entered conformably to that decision.

Q. Since the introduction of the practice of inscribing cases at the same time for *enquête* and final hearing, does not the register or roll kept for that purpose serve at one and the same time as the register or roll of *enquête* above described, and as the register or roll of cases inscribed only for hearing on merits?—I am not very competent to answer that question; I have had but little practice under that system. However, my impression is that that roll of *enquête* and hearing on the merits, is about the same; but I should be unwilling to assert it in a positive manner.

Q. Is it your impression that it holds the place of the two?—My impression is, as I have just told you, that I am not positive. Since the introduction of that new system, I have attended but very little the Courts where it was practised; my department was different in the office, and I had very little to do with the Superior Court. That is to say for cases inscribed for *enquête* and hearing on the merits at the same time.

Q. When a case inscribed for proof and hearing is called to be proceeded with, can the Judge enter on the register or roll a declaration different from that really made by a party?—It is not difficult to answer that question; it is clear that the Judge should not make an entry contrary to the facts and to the proceedings which have taken place.

Q. Is it to your knowledge that in the different rural districts united, for purposes of appeal to the district of Montreal, the duration of the Terms of the Court of Queen's Bench, Crown side, since 1867 and up to this day, has been sometimes one single day, often about two or three days, and quite rarely from eight to ten days?—I have no knowledge whatever of what is asked in that question; I have never practised in the rural districts, and I am not in a position to furnish any information whatever on the subject.

Q. In your opinion, which is really the judgment, whether interlocutory or final, in a case; is it the ordinance or decree delivered by the Judge in open Court, or is it the document afterwards written, to which the Judge adds his initials?—The register of a Court is considered to be kept in order to contain the proceedings had in a

Court according as they take place. But in practice that cannot be done; the register can receive the entry of the proceedings only after the Court. In my opinion, that register, alone, is evidence of the proceedings of the Court. The document from which the judgments are entered in the registers is but a simple draft and is not the judgment.

Q. The judgment is rendered in Court and the register is only the evidence?—Yes. The clerk ought to enter the judgments at once, instantaneously, if it were possible; that is what would be the evidence; and all that is in the record, in a case of contestation, would serve, in my opinion, to shew what are the proceedings and the orders of the Court. That Register is open to exception for forgery or error; then, the other papers and documents, as well as the book of *enquête* might come in as evidence. But so long as there is no contestation, that register stands as evidence.

Q. That is to say that the register is evidence of a judgment, but the judgment is the ordinance or decree pronounced by the Judge?—Yes; the judgment of the Court is that which is pronounced and which should be, if it were possible, written out instantaneously and definitively on the register,—it should, so to speak, be photographed.

Q. Does the register which contains the judgments bear the initials of the Judge at foot of each judgment therein recorded?—The register does not bear the initials at foot of the judgment; and I say, moreover, that judgments in the Court of Appeal are not initialed either. I draw up most of the judgments and I hand them to the Clerk, telling him to ascertain whether they are drawn up in accordance with the facts, and generally to have them copied by a clerk. The judgment is examined, copied and entered in the register. I do not think I ever initialed any; if I have done so it was an exception.

I think that when I practised in the Superior Court, the Judge was in the habit of putting his initials on the little note which he gave to the clerk, or on the back of the Judgment.

Q. When a Judge of the Superior Court in rendering judgment, brings into Court a paper or document of any kind containing the reasons and the decision of a judgment or decree which he pronounces orally on the Bench, and that document is authenticated by his initials and he hands that writing or document to the Clerk in open Court, immediately after the delivery of the judgment;—if later there is discovered some substantial difference in relation to the decision of that judgment, between that writing or document initialed by the Judge and the entry made in the register, and in case of contestation or improbation, which, in your opinion, should prevail, the register or the writing initialed by the Judge, to establish the true judgment rendered in open Court?—I think I have already stated above that in case of the contestation of the truth of the entries made in the register, either the register kept in the Court itself or the memorandum of the clerk in open Court, and still more the notes initialed by the Judge, would be a most powerful means of getting the entry in the register set aside. Still, it is very possible that the Judge may himself have caused a correction to be made, before the entry is made in the register, of errors such as those I mentioned a while ago. I desire to be well understood, that it is the register which is the judgement of the Court, and that all the rest can only be considered as a draft of judgment. The register is not infallible; but then it may be contested if it has been falsified.

Q. Is it absolutely necessary under the law that that which is conventionally called the minute of judgment should be embodied in a special and sacramental formula; and would you not be of opinion that any document or writing to the effect that the case was taken *en délibéré*, and that the *délibéré* was had; and that, in open Court, a Judge present and acting officially therein, has rendered an ordinance, which ordinance is expressed in its reasons and in its substance or decision; and the said document being initialed by the Judge and handed to the clerk in open Court on the delivery of the judgement; would that document, I say, contain substantial and sufficient matter to constitute the minute of such judgment or ordinance?—I know no law which requires a particular form, in which judgments rendered must be drawn

up. We have constant usage which regulates the form of judgments; and a document such as that mentioned in the question would show the order of the Court from which the judgment should be drawn up, to be subsequently entered in the register. That judgment is entered in the register in the ordinary form; at least such is the established usage. There are, for instance, a number of proceedings had in chambers, on petitions, at foot of which the Judge writes only "*Be it so done,*" and hands it to the clerk; and, nevertheless, when that document is entered on the register, the entry made is "*The Court orders*" such or such a thing.

Q. And is that order on the petition or on the motion, the only minute of the judgment which exists on the record in that case?—It is the draft from which the judgment is entered afterwards in the record.

By Mr. Taschereau:—

Q. Suppose the following case: In a case inscribed for *enquête* and final hearing at the same time, the notice of inscription being irregular or insufficient, in open Court, after the plaintiff has declared his *enquête* closed, the defendant, who is both attorney and party in the case, being called by the Judge, merely answers: "I have nothing to say;" do you consider that that answer would constitute on his part a declaration that he has no *enquête* to make and at the same time a proceeding of a nature to cover the irregularity of the default of notice for inscription?—In the particular case, I think that when the party is thus called upon by the Judge, the party ought, if he has any good reason to urge, to give it to the Judge, and ask that his *enquête* be adjourned. If he does not do it, if the case is taken *en délibéré*, he loses the right of complaining afterwards of the insufficiency of the delay. It is difficult to decide in a particular case without knowing all the details otherwise than by hearing them in a question like that which has just been put to me; but what I maintain is, that the party being present, the case being called, the other party having been heard, it is his duty to say whether he has an *enquête* to make, and if he has some valid reason let him ask that that *enquête* be deferred; he must have it noted at once that by his declaration that he has nothing to say, he thereby submits his case and leaves it to justice; the case has not been regularly inscribed or fixed; and if he does not do it he covered the irregularity that has occurred in the inscription.

Q. Supposing, in the case submitted in the preceding question, the following modification: The defendant, who is an advocate, is present in Court in order to watch other cases, and another advocate is entered on the roll as his attorney of record, and that advocate is not present, that is to say, makes default; would you still be of the same opinion?—The cases which occur are so various that it is sometimes difficult to answer very positively. The Judge who presides in Court is in a much better position to see what decision he should give, guiding himself by the circumstances. The irregularity would not be covered if the defendant or party had said nothing; but if in the absence of his attorney the said party seemed to represent himself as conducting his own case, his declarations have as much effect as if his advocate had been present; all that, as I have just said, depends on the circumstances.

If the party, being in Court, and called upon by the Judge had said: *I will do nothing in the case; my attorney is absent*, the Judge could not have taken that for a consent. If the party says he *has nothing to say*, it is evident that the party has taken his case in hands, and has by his answer covered the irregularity, if there be one.

If, above all, the defendant is an advocate, the Court will easily presume that he desired to watch his case.

Q. Then if the case is called in its turn, according to the roll, by the Judge naming the parties, and to that call the party makes no answer or declaration, and if on such silence of the party the Judge, believing probably that he did not hear the call, addressing the party says to him: "*It is your case I am calling,*" and if thereupon the party, rather through courtesy towards the Judge than from a desire to take any proceeding, replies: "*I have nothing to say,*" or "*I will say nothing,*" should you be of opinion, from the circumstances as a whole, that there is on the part of

the party a proceeding sufficient to authorize the Judge to enter on the roll that that party has declared his *enquête* closed in open Court?—It is difficult to answer that question. It is certain that advocates have duties to fulfil towards Judges, and the first of those duties is not to lead them into error. If an advocate, in order to take advantage of an error which he knows to exist, allows to be made or causes to be made an entry which is not regular, the Judge is perfectly justified in making the entry conformable to the truth.

And for my part, if an advocate were to say to me in a case, that he had nothing to say, I would enter the case *en délibéré* as if he had been heard. But that depends much on the circumstances, and each case has its particular circumstances.

Q. Should you not have been inclined to think from all the circumstances described in the preceding question that the party would not have had the intention of deceiving the Judge, but that he simply wished to abstain from any proceeding and to make default, and that by answering the extra judicial calling of the Judge, after the ordinary call of the case, to which call he answered nothing, that answer to the call of the Judge was rather an act of courtesy to the Court than a proceeding?

(Question objected to by the Committee.)

Q. But does not the declaration of the party that he has nothing to say convey as much a refusal to proceed or a default, as any other interpretation?

(Question objected to by the Committee, as being similar in substance to the preceding. The advocate for the petitioners urges it upon the Committee to allow the question to be put. Question permitted.)

The answer made to the Judge by the party called upon, is certainly equivocal, and may lead the Judge to think that he submits his case, since he has nothing to say, and that would authorize the Judge to take the case *en délibéré*. It may be that in the intention of the party, the answer did not bear that sense.

(Signed) A. A. DORION.

Transcript of evidence taken before the Committee on Administration of Justice in the District of Richelieu, Saturday, March 24th. Reported by J. W. Rostgate & J. Boyle.

The Hon. WILLIAM BADGLEY was sworn and examined by Judge LORANGER as follows:—

Q. For how many years have you been practising law both as an advocate and as a Judge?—I was called to the bar in 1823. I was a delegate to England in 1838 for the Union of the Canadas, and resumed practice in 1839. In 1840 I was appointed Commissioner of Bankruptcy, and kept the office about four years. In 1844 I was appointed a Circuit Judge, and I remained a Circuit Court Judge until 1847, when I was appointed Attorney General for Lower Canada and Executive Councillor for Canada. I was in Parliament then, and continued in Parliament up to the end of 1855. I was then appointed Superior Court Judge, and continued as Superior Court Judge until 1866, eleven years. During that interval I sat on the Queen's Bench for one year, during the absence of one of the Judges. In 1867 I was appointed to the Queen's Bench as permanent Judge, and continued there until 1874, when I retired. That is my judicial history. I have had more than 25 years of judicial life.

Q. You have had occasion as a Judge to have before you those books which are called rolls of *enquête* and merits?—Yes.

Q. Of what nature do you consider the entries made in those books—as authentic entries or simply notes or memoranda for the guidance of the clerk?—Any entries made in those books I considered simply as notes of the proceedings in the cases—nothing else. I did not look upon them as judgments, the property of the parties, but simply notes for guidance to the Judges of what might be proceeding. I might have made entries of the proceedings for my own knowledge. I generally kept a note book, and seldom made entries in the books.

Q. For the guidance of the clerk also in making his entries?—Of course. I used to tell the clerk to do so sometimes; he also made entries on them.

Q. If you ever found those notes to be incorrect, through mistake or some other cause, would you have any scruple in correcting them?—Certainly not; I always endeavoured to put the thing as it was, and ought to be. It frequently happened, in the hurry of the proceedings, that an incorrect entry was made, but when it was brought to my notice I always had it put right. I thought that was a matter of procedure.

Q. Would you have any hesitation when the clerk called upon you for information to make his transcript, to write in the entry book a correct entry or to complete one for his guidance?—There were occasions in the Superior Court when the clerk has asked me whether so-and-so were proper entries, and if they were not I corrected them. The Courts were very loose in that kind of procedure. Everything was done in haste. There would be thirty or forty cases going on at the same time, and it was almost impossible to keep the mind sufficiently fixed to a particular case to show how it was going on. Sometimes I used to look at the book before leaving the Court House to see if it was all right.

Q. Do you consider that the proper time to take advantage of any informality in the inscription of a case on the roll of *enquête* and merits is before arguing the case, and that a man who argues or submits his case, foregoes his right to invoke informalities?—I cannot speak as to any particular case.

Q. As a general rule?—As a general rule those informalities should be taken notice of before the argument is submitted, otherwise, there might be no end to the case.

Q. Suppose that a defendant is sued on a promissory note, and the *enquête* is fixed for a particular day. The plaintiff asks for his judgment, and the defendant being asked whether he has anything to say, replies: "I have nothing to say." Do you consider that he closes his case by the fact itself and that is a submission of the case?—Of course. When the defendant says that, it is submitting the case. It leaves nothing open at all. As a matter of course the Judge cannot do otherwise than accept it as the acquiescence of the party. The Judge cannot compel the defendant to go into the evidence or adduce evidence and to argue his case. The defendant says, "I have nothing to say," and that closes the case. It has been done very often in my own recollection and practice. A man makes his case out. I turn to the defendant and he says, "I have nothing to say." The case is manifestly then submitted as an acquiescence. In England, the common practice, I believe, is at once to draw the judgement, or take a verdict at once for the plaintiff. The Judge must necessarily suppose that a man who guides his case knows what he is about.

Q. You don't presume any mental reservation?—No, we cannot. We suppose that the lawyers before us are gentlemen and that what they say they mean.

Q. What would you say, morally or legally speaking, of a defendant, being a lawyer, who, being sued upon a promissory note, after having made the plea to the case that the delays of inscription are too short, goes to a confrere of his, advises with him, and then concocts this plan: To say nothing as to the inscription being too short, not to inform the Judge of it, but to let the judgment go against him, and afterwards appeals the case.

(Question objected to and withdrawn.)

Q. Legally speaking, do you think that a party who had acted so would be entitled to a reversal of judgment?—I would not reverse the judgment, for this reason: If a lawyer, when applied to, says, "I have nothing to say," and this is stronger in French, "*je n'ai rien à dire*," that covers the effects of procedure in the case. If there were defects in the case that he could take advantage of, I think his acquiescence in saying that would cover all those defects.

Q. Do you think that a formal declaration of closing the *enquête* is necessary; on the contrary, don't you think that these words put in the roll of *enquête* and merits, "P. O. C. A. V." is sufficient as showing that the parties have been heard and submitted the case?—I should say so. I would not hesitate one moment in regarding

it in that way; because if nothing is said, what are you to do? When a party says he has nothing to say, he submits his case to the Judge or Court and there is an end to it, until judgment.

Q. In that case, then, do you think that the Judge who, after having written in his book "P.O.C.A.V." should write "the defendant declares his *enquête* closed," would do a wrong to that party?—Not a bit. Because it is merely assuming the consequences of the information given by the lawyer himself. That is the result of it. It covers that.

Q. We shall speak of the slips now. You have practised under the usage of slips, I presume?—Yes.

Q. Do you look upon those slips, on which you write "judgment for plaintiff," "judgment for defendant," "judgment granting motion," "judgment dismissing motion," etc., as the judgment of the Court or as memoranda?—Those slips that are sent to the Judge are merely to save him the trouble of tearing of pieces of paper on which to put his own notes. They are sometimes printed, and sometimes mistakes occur upon them. I remember particularly, two cases which were sent up to an eminent Judge. In one he announced his judgment in favour of the plaintiff; in the other he pronounced a judgment of dismissal of the action. When the slips were sent up with the record, they were by mistake misplaced on the records, and without looking on the back of the record cover, under the slips, the Judge wrote against the dismissed action, "judgment for plaintiff," and "judgment dismissing action" on the other. The slips went with the two different records, and unfortunately the records were sent down in a hurry and the judgments were registered as they appeared on the slips of paper upon each. It was necessary to get rid of them by appeal under the circumstances, because they were registered judgments and could not be taken to pieces in any other way; and even the winning parties had to spend a large sum of money in order to get the records in a proper shape. Those slips are not the record or any part of it. They are merely the notes of the Judge. But the Prothonotary is a better judge of this matter than myself; I am merely stating my own knowledge. I have seen slips on records with Judge's notes erased all through. In some there have been two or three different noted judgments on the same slip, and the Judge has had occasion afterwards to correct his first impressions and to finally change them upon the slip; and at last he has sent down his final judgment on a piece of paper, not a slip.

Q. After having pronounced the judgment?—Oh, yes; in some cases.

Q. Then do you look upon those slips of paper as essentially changeable to meet the truth and correct errors?—Those slips of paper are nothing more; and they have always been so considered by my colleagues and myself, as nothing than mere votes; and as I have said just now, I have seen them changed two or three times. If they are to form part of the record, the Judge is the master of the record; and he holds his record until he sends down his judgments signed or initialed by him, to the office for registry. Until he does that, he may correct his note or slip so called.

Q. That is your opinion?—That is the jurisprudence. All the old laws and practice writers and authors say so. One authority says the Judge is the master of his judgment until he sends it down, signed by himself, to the clerk's office to be registered. Pigeon says: "The judgment is not complete until the *feuille soit corrigée*. The note is finally completed by the signature of the Judge." LeBrun says: "Jusqu'à ce que le juge ait remis son jugement au greffe il en est le maître et il le peut changer, ainsi jugé par arrêt du 5 juillet 1712." The Judge is the master of the judgment until he has formally remitted it to the clerk for registry.

Q. Then you mean his judgment in a legal form, not the slip; the judgment in a proper form, which is entered word for word in the register?—Yes; the reason of it is obvious. The Judges are bound to give their reasons, the motives for their judgments. When I was first a Judge we were not bound to do that, and we never did it. We gave our judgment for plaintiff or defendant, but we never gave a motive for it. But now the Judges are obliged to give the motives of their judgments, and we cannot put motives on a slip of paper half the size of this. We are obliged to ex-

tend our judgments. Those pieces of paper are the headings and conclusions for the Judge to complete and extend. The judgment itself is written out by the Judge. If it is short, he may write it on a slip or a sheet of paper; but some judgments require very long notes.

Q. But the minute of the judgment is an example of the judgment such as is registered in the book?—Yes; when signed or initialed.

Q. How would you look upon a Judge acting in good faith under the following circumstances: Two motions are made—one by the defendant to reject certain depositions; the other by the plaintiff to have certain interrogatories taken *pro confessis*; the Judge comes to the Bench and says, "Here is the judgment in this case; I maintain defendant's motion, and dismiss plaintiff's for want of notice." His attention is not drawn to the question whether there is notice or not. The day after, or a few days after, it matters not, the lawyer who had represented both parties in the absence of their own lawyer, having informed the plaintiff's lawyer that on the slip it appeared that his motion was dismissed for want of notice, goes to the Judge's chamber and shows him that the dismissal of his motion for want of notice is owing to a flagrant mistake, an oversight, and shows him a notice proving the other party notified; and the Judge changes the judgment, dismissing plaintiff's motion on the slip; do you think any blame would attach to the Judge?—Of course not. Those are all matters of procedure, and it is in the hands and under the control of the Judge to see that the record was, as it were, a *fac-simile* of the real procedure of the case. I could refer to many cases in which this has occurred. I remember two cases particularly. After taking three or four days to make up the records, they were submitted to the Judge. There was a great mass of papers and evidence to be looked at. I came upon the Bench and pronounced judgment on the records as they were; in the one case dismissing the action, and in the other maintaining it. After I had pronounced my judgment, one of the gentlemen on the other side said, "You have over looked a very material paper in the record." I saw that the paper was not in the record, but I said, "I will hold the record until you make it complete." I had pronounced the judgment, but I took back the record. The paper was supplied, and I was obliged to change my judgment. I could not do otherwise. The paper compelled me to change my judgment, and I came into Court and did so. That, however, was an extreme case. But in the case put to me, it is merely correcting the procedure, and there would be nothing wrong on that. It was the duty of the Judge to see that his record was right.

Q. Don't you think that a Judge who would proceed otherwise and adhere to mistakes of that kind instead of forwarding the interests of justice would retard them and do harm to the innocent party who suffered from his error and mistake?—I do not see that there is anything wrong about it, because, as I have already said, the Judge is master of his record until he renders his judgment. It is his duty to see that it is all right. I knew a case of great importance when I was sitting in the Court of Appeals. It was a case of burnage. There had been three or four operations in the case, and the last one, which carried the judgment in the Superior Court of Quebec, provided two lines—one that was favourable to the one party and the other that was favourable to the other. Of course the lines were indicated by letters at the extremities. The case was brought up in appeal, and all the Judges were unanimously of opinion that a particular line indicated by two particular letters was the one that ought to be supported, and that decision sustained the judgment of the Court below. As it happened, it fell to my lot to extend the judgment. It was a very long-motived judgment. It took two sheets of paper to go over the operations. In drawing the judgment, by mistake, I took the letters of the other line and not the line of the Court adjudication. We read it over and found it all right, as we supposed, and the case was immediately returned to the Superior Court in Quebec. The parties were in our Court, the Court of Appeal, when the judgment was pronounced and heard which was actually the line selected. To our surprise, within a week afterwards, a petition was sent in to the Court stating that there was a mistake in the judgment by indicating the line with the improper letters and asking for justice. We agreed

that we would issue a *certiorari*, which issued from the Court of Queen's Bench to the Superior Court, and had the record brought back, although it was registered; and we corrected it and affirmed the judgment as we pronounced it. We sent it back to the Superior Court in Quebec and never heard anything more about it. The object was to correct the record according to what was fair and just upon the actual pronouncing of the judgment. We had pronounced our judgment, and surely there was nothing wrong in the Court correcting its record by inserting the letters which indicated the actual lines agreed upon and adjudged.

Q. Don't you remember the case of Gravelle *versus* Belanger, in a similar case of burnage, where a similar error occurred and when you corrected the judgment of your own Court, but it was before being entered in the book?—That was one of the cases I spoke of; I know another case which happened to a Judge who certainly stood high in his profession; he is no longer a Judge, but no one was a better Judge or understood the law better than he; he pronounced his judgment in a case, the papers were taken down to have the judgment extended, in extending it he found that he was wrong; he changed the judgment next day and pronounced it as he thought was right; he had held the record all the time and it had never gone into the possession of the parties; it was never the property of the parties as a recorded judgment, but it was only when the Judge was signing his extended judgment that he found he had made a mistake; he in his case and I in mine acted upon the old practice stated by LeBrun that in France "l'usage est que les juges ont 24 heures pour changer leurs jugements prononcés, pourvu que la sentence ne soit pas remise au Greffe." In France it was customary for Judges to have twenty-four hours to correct their spoken judgments, provided they were not registered in the clerk's office. There was another case in 1849, which I recollect perfectly because I had occasion to look into it. In this case the Circuit Court clerk had made an entry on the roll book which he was not authorized to do. Application was made to the Court Judge, at Kamouraska, to have the record corrected by striking out that entry and putting in the proper one. The Circuit Court at Kamouraska did so, changed the recorded entry. The case was then brought up by appeal to the Superior Court at Quebec, and the Bench there unanimously maintained the act of the Circuit Court to be correct, that the same Court that made the error and was in possession of the record had the right to correct its own record. We never could impute anything improper to a Judge for anything of that kind. He was in the performance of his duty and what interest would it be to him. His only interest was to see that the record was right.

Q. Is not good or bad faith on the part of the Judge the criterion of his conduct? I cannot say anything about that. The presumption is that a Judge acts in good faith towards everybody.

Q. And especially if in correcting a mistake he does no wrong to the other party, and if the party against whom the mistake is corrected acquiesces to the Judge what would you say in that case?—The judgment is merely the act of the Court. If the parties come together and say we shall do so-and-so, and change their original act, they both acquiesce and there is nothing to be said about it. Who is to find fault? The public have nothing to do with it. Until the judgment is recorded or becomes the property of the parties, the Court or Judge has the right, as master of the record, to see that everything is done right according to the actual facts of the case. There can be no imputation in a matter of that kind.

Q. Then, according to your opinion of the thing, the parties are not in possession of the record until it is signed?—Yes, and placed in the register. The Prothonotary has no right to come and take the record from my table. But when I have given it to him and said that it was my judgment, then it goes down and becomes the property of the parties; but until I have declared it so, it is my property.

Q. Now about those slips. Do you think it makes any difference if, in writing a note on a slip, the Judge puts his initials to it in order to identify it or otherwise; do you think that would change the character of the slip. If, after having written his note on the slip, he puts his initials to it, does it change the revokable character of the slip?—Not a bit. That is what I have been saying all along. I knew a Judge

—he is dead now—who signed a slip three different times with three different judgments. It is nothing more than a note for himself.

Q. It never goes to appeal?—No; they form no part of the record at all. Judges are not infallible. It is quite unreasonable to expect they should be infallible. Sometimes in the Circuit Courts there is a Judge who wants to get through his list. He has probably 150 cases before him in a day, and has to sit until late in the evening to get through. He will probably give 70, 80 or 100 judgments out of that list. It has so happened that there might be a mistake here and there—some little errors which have always been corrected at once. The only wonder is, in the way in which the business is got through in our Courts of Justice, that there are not more mistakes. But I want to make one observation, which may save a great deal of trouble. A definitive judgment cannot be changed by the Court or the Judge who renders the judgment. The only question is, what is a definitive judgment? A definitive judgment is a judgment written out on a slip or sheet of paper and signed by the Judge, and put in the clerk's office. That is a definitive judgment. You cannot change that judgment whether you find you have by your conclusion done wrong or right. It must remain where it is. But in the Courts all through France, England, and all through our country here, errors which will not change the effect of the judgment, but errors of form, may always be corrected. In England they have corrected a record, in which the judgment was entered that William should recover, twenty years after the judgment was rendered, to Thomas should recover, because Thomas was the man who was actually to recover. It was merely correcting the name—what English lawyers call a misprision, in French *méprise*, of the clerk. In our law, and in old France, there was never any difficulty in this respect, but you cannot change the actual judgment itself. You may change the words and correct the informalities. Where improper or wrong motives have been, by error, given, you may change the motives or change the form, but you must let the actual judgment, for plaintiff or for defendant, stand where it is. You cannot alter the material judgment. Since the motives are given for judgment here, you may add to them or diminish them; you may correct clerks' errors or anything of that kind; but if you have given your definitive judgment for A, B or C for \$100, it must remain, and if you dismiss the action it must remain. But the motions of the judgment, the forms of the judgment—these are all correctable things.

Q. You have been on circuit many times, and on many circuits; were you not always entitled to three days' absence; if you were absent less than three days, did you not charge three days' absence always?—There has been a great deal of change in the circuit allowance for the Judges. When I was first a Judge we were allowed a certain fixed sum for each circuit we took. It did not signify how many days we were employed, we had a certain fixed allowance; but that was found to be inconvenient, and thought to be rather too much at times. In the circuits below, out of the cities, it was found that a Judge would go from one circuit to another, so that he would have a continuity of circuits, and he would charge the whole round sum for each circuit. The Government thought that was extravagant, and the system of allowing the Judges a daily fee of \$6 was introduced. We always had the allowance for the day coming and the day going. If we were two days coming and two days going, it was always allowed by the Government. We were obliged to send a certificate when we left home and when we got back, and they showed how many days we were away from home. It took me three days once, from the difficulty of travelling and accidents on the road, going from Montreal to St. Francis du Lac, in the district of Three Rivers, and I was allowed for the time. I always understood that the days from home and return were counted, and the days of work were always counted, as a matter of course.

Q. Did you never administer Justice in the Superior Court since 1867?—No, I was on the Queen's Bench in 1867.

Q. Have you any experience concerning travelling expenses of late years?—I always thought that the new law was based upon the practice of the old law.

Q. You never practised under this Order of Council?—No, sir; but I did under your Order in Council.

Q. You have been to St. Julien beyond Berthier and L'Assomption?—Yes, twice. I have gone there and back through L'Assomption.

Q. Would you think it extraordinary if in going to St. Julien and coming back to Sorel the Judge should take two days?—I should not say that there was any great marvel about that. I think that once when coming from St. Julien I stopped at L'Assomption and came in the next day. It was spring time, and the roads were very bad.

Q. To revert to the ordeal about slips. Your opinion is that as long as the judgment is not extended and approved by the Judge, it remains his property, and he may change it as he likes, to suit the facts of the case?—It cannot be otherwise.

Q. In the case of Gravelle vs. Belanger, don't you remember that the judgment not having been entered, you changed the line, owing to a mistake of the Court in the judgment, without taking a certiorari?—There was no certiorari in that case at all. I thought that as I was the holder of the record, that until it left my possession I had a right to correct it.

Mr. BROUSSEAU waived cross-examination.

Corrected and approved as above.

W. BADGLEY.

WILLIAM H. KERR was sworn and examined by Judge LORANGER as follows:—

Q. How many years have you been practising law?—Since 1847.

Q. And you are Batonnier of the Montreal bar?—Yes, and Battonier General of the Province of Quebec.

Q. Will you be kind enough to tell us in what light the slips, one of which I hold in my hands and produce, are looked upon by the bar—whether as the minute of the judgment or simply as a note which may be changed by the Judge until his judgment is registered, if he finds that it contains any mistake or flagrant error?—Those slips are looked upon merely as memoranda of the judgments which are pronounced. According to my idea they can be altered up to the time the judgment is registered.

Q. In what sense?—I remember one case perfectly. Judge Badgley gave judgment in my favour. The slip was there also. I fancied that I had won the case. Three days afterwards, much to my astonishment, I found that the Judge had withdrawn the slip and given judgment against me. According to the best of my recollection, I raised the point in the Court of Queen's Bench, and was told that until the judgment was in the register the Judge had perfect command of the record, and might alter it as he chose.

Q. Then you look upon that as the standing decision in practice?—That is according to my experience.

Q. What was the case?—Lochead against Grant.

By Mr. Holton:—

Q. Was judgment delivered from the Bench?—Yes.

Q. And changed?—Yes, without indicating it to me at all.

Q. Is that considered good practice?—I did not think it was the thing at the time, but I found that the current of opinion was against me.

By Judge Loranger:—

Q. Is not the current of opinion that as long as the judgment is not registered it belongs to the Judge, and he may change it?—My idea has been since that case that the registering of the judgment finishes it.

By the Chairman:—

Q. In that case of Lockhead vs. Grant, the judgment from the Bench was in your favour?—Yes.

Q. And you found afterwards that the judgment was reversed from what you expected?—The Judge had gone to the Bench again and reversed his previous judgment.

By Judge Loranger:—

Q. But still he reversed it?—Yes.

By Mr. Jetté:—

A. I raised the point in Appeal, but it never came up. They told me that as this judgment was not registered, they considered the Judge of the Court below had a perfect right to change it. This was twelve years ago.

By the Chairman:—

Q. Have you changed your mind yet?—From the fact that I was unable to do anything I came to the conclusion that it was legal. I remember a case in which His Honour Justice McKay rendered a judgment against me on the Bench. Mr. Laflamme was on the other side. The Judge's slip was perfect; he had written it out. After the judgment was rendered I said to him: "I think you are wrong in one point. The point was raised by yourself and not by the parties. I think you should have given me an opportunity of being heard." The Judge then withdrew his judgment after the slip had been filled out.

By Mr. Jetté:—

Q. That was on the Bench?—Yes. After that we re-argued the case and he reversed his former opinion.

Q. Was the other person also present in Court then?—I think he was.

By Judge Loranger:—

A. My impression is that he was in Court.

Q. You persist and repeat that these slips are merely notes and memoranda, and not the minutes of judgment?—In nearly every case the clerk, after he receives these slips, makes out the judgment and then sends it up to the Judge in order to be corrected.

Q. Supposing the case where a Judge on the Bench, maintaining defendant's motion, dismissed the plaintiff's motion for want of notice, when the parties were represented by one and the same lawyer, who was said to be entrusted by the other foreign lawyers to represent their interest; then the Judge says: "I dismiss that motion for want of notice;" and without entering this in the minutes of evidence, the thing is mentioned to him. The next day the plaintiff's lawyer comes to him and shows him that there was in fact a notice of motion. As the question turned upon the want of a notice of motion, the Judge then changes his judgment, and instead of rejecting his motion grants it. Do you think that in that case the Judge was going beyond the limits of what is known in all practice to be in the discretion of the Judge?—I should think the Judge was perfectly right in doing so. Otherwise it would be a denial of justice.

Q. Go a step beyond that: Supposing in that case the other party who seemed to have been a loser, namely, the defendant—because plaintiff's motion had been rejected and afterwards granted—says nothing; he is perfectly satisfied with the judgment and looks upon it as a good judgment; he acquiesces in it. Do you think in that case there can be a shadow of a doubt as to the correctness of the Judge's conduct?—Certainly not.

Q. Would you not think that in that case the party's conduct would amount to acquiescence or confirmation of judgment?—So long as the party himself did not complain, I don't think any other person ought.

Q. About the cases inscribed for *enquête* and merits, is it not customary to submit the case without formal declaration of the closing of *enquête*?—All cases inscribed for hearing and merits are looked upon as jury trials; that is there is the same procedure, you go on to the end when once you have commenced. There is no entry made according to my recollection. I don't think the practice is to enter at all the closing of *enquête*; and, secondly, if the case was heard the inference would be that it was closed on both sides.

Q. Would you not look upon the conduct of a defendant whose *enquête* is fixed,

on a promissory note, say, and when complainant asks for judgment, defendant states: "I have nothing to say," would you not look upon his words as a declaration that he had no *enquête* to make?—Decidedly.

Cross-examination waived.

WILLIAM H. KERR.

LOUIS WILFRED MARCHAND, being sworn, was examined by Judge LORANGER as follows:—

Q. You have been Clerk of the Court of Appeals for how many years?—Eighteen years.

Q. And before that time you were a practising lawyer in Montreal for how many years?—I was admitted to the Bar in 1854.

Q. Would you tell us, Mr. Marchand, in what light you look upon the entries made by the Judge, if he makes the entries himself on a roll of *enquête* or merits—if you look upon them as authentic documents, or, on the contrary, if you don't look upon them as notes and memoranda for the guidance of the clerk, for the continuation of the record entire?—I look upon them as mere notes and memoranda for the guidance of the clerk.

Q. In your own Court you keep the register of the Court, that is the minute book of the Court yourself?—I do.

Q. Are not these entries made by you essentially changeable and revokable for causes of error and mistakes?—I have altered them many times. Almost every Term I have to alter them on account of mistakes, or because I have not understood well what the advocates have said at the Bar, or on account of incorrect statements made by the parties, and many times I am directed so to do by the Judge. I correct the mistakes, sometimes in the presence of the parties and sometimes not, when I compare the statements I have made with the facts of the case and the documents filed.

Q. Please look at document "A 9"?—On the 11th September last a motion was made on behalf of the respondent in the case of the Corporation of the town of Hull, appellants, and Tétreau, respondent, to have the plea dismissed for want of production or return of the writ and record on the day fixed. I called the appellant, he did not answer, and I recorded his default. I wrote in my book: "Default recorded, motion granted, judgment of *non pros* or of dismissal of appeal granted." On the day following Mr. Prévost, attorney for the respondent, came to the office and asked for a copy of the judgment. I had to draw it, and when I examined the proceedings, I saw that there was no notice at all given to the attorney for the appellants. I told him I could not give him the judgment, that in fact there was no judgment. The Chief Justice happened to be in Chambers' Room, and we went together and explained the matter. The Chief said at once "The entry is wrong, and your motion is dismissed, but without costs;" and a new entry was made under his directions. "Dismissed, without costs, for want of notice given to the other parties." The Chief directed me to erase the entry in the book.

Q. Was that done with Mr. Prévost's consent or in spite of his opposition?—In spite of his objection. He was under the impression that he had no notice to give to the other party.

Q. Did not you keep a schedule of records in appeal?—I keep a schedule of records in appeal.

Q. Is it official?—It is one that I am bound to keep under the rules of the Court. It is official.

Q. This appeal being dismissed, did you not strike that case from the schedule?—I did. Before it was struck off, an entry was made in the column headed by the word "Judgment," to show that the appeal had been dismissed that day by the Court.

Q. The judgment dismissed, the appeal having been changed, and motion for dismissal being rejected, had you not to re-establish your schedule, and put back that

very case and make a record in appeal?—Yes; the record was returned on the 23rd September, and the responded appeared, and the case is still pending before the Court.

Q. Have you got a copy or a *facsimile* of the schedule? (Copy produced.)

Q. Are the erasures of the case indicated by the red line struck across?—They are.

Q. Do you consider the Court of Appeal, of which you are the clerk, to be a Court of Record, the same as the Superior Court?—It is a Court of Record, but not exactly the same as the Superior Court. There is no evidence taken before and no Writ of Execution issues from the Court of Appeal, and the record in appeal is the record of the inferior Court. It is a Court of Record only as to such proceedings that are original in the Court of Appeal—as to its own proceedings.

Q. Well, according to law, it is called a Court of Record?—It is a Court of Record according to law; I refer to the 1st section of the Act establishing the Court of Queen's Bench—chapter seventy-seven of the Consolidated Statutes of Lower Canada—"There is and shall be established in and for Lower Canada a Court of Record to be called 'The Court of Queen's (or King's) Bench.'" I keep a register as I am bound to do by law.

Q. In a Court of Appeal there cannot be any register or roll of *enquête* or inscription of cases from any similar proceedings in the Superior Court?—I do not keep any roll of *enquête*, because there are none in the Court of Appeal. But there is a roll of inscriptions and I am bound to keep it.

Q. Have you, in registering the appeal, to enter the declarations of parties' proceedings before the Court?—Yes, certainly. I keep a register of the declarations of parties before the Court on motions, rules, etc.

Q. What kind of declarations do you enter upon that book?—Declarations of the parties, orders of Court.

Q. Give some example?—I think I have already give an example; for instance, that motion which I have already mentioned, and the proceedings thereon on the 11th September. I made a note of it and of the judgment.

Q. This is not the declaration of any party, it is the order of the Court?—The party did not file any declaration; but I have mentioned the act of the party filing a motion before the Court, and the default of the other party.

By Mr. Jetté:—

Q. This is a motion for leave to appeal to the Privy Council, if it is not consented to by the other party?—If the object of this question is to ask whether, upon a motion for appeal to Her Majesty, to which the adverse party consents, I enter in said book or docket his declaration that he so consents—my answer is, yes.

By Mr. Brousseau:—

Q. Are these entries made in a book or on a sheet of paper, which you preserve in your office?—They are made in a book or docket, and afterwards transcribed into the minutes of the Court.

Examination of this witness closed.

L. W. MARCHAND.

GEORGE PYKE was sworn, and examined by Judge LORANGER, as follows:—

Q. I think you keep a book for registering judgments?—I draw them. I do not draw them now in the Superior Court, since the Insolvent Court was established. I only draw up judgments in the Insolvent Court.

Q. You are Deputy-Clerk of the Superior Court, and have been for a number of years?—For thirty-three years.

Q. For how many years have you drawn judgments?—For forty years.

Q. Tell us what is your opinion concerning the nature of slips, on which the Judges write their judgments?—They are mere instructions of the Judges to draw the judgments. The Judge has frequently told me not to let the slip out of my hands until the judgment was drawn, and he was to see whether it was conformable to his idea.

Q. Do the Judges alter the slips?—They do occasionally.

Q. They do not look upon them as permanent and authentic, but would make them suit the exigencies of facts?—Yes; the Judge has frequently sent up notes with the slips when the case did not appear to justify such-and-such a conclusion. He has said, "I will draw the judgment according to the conclusions. We have said this-and-that, and so-and-so;" and then the Judge would strike it out.

Q. And make another entry?—Yes.

Q. Then he would materially change his first slip?—Well, he would materially change the conclusions.

Q. After granting the whole he would restrict it?—Yes.

Q. The slips are merely communications between the Judge, and not for the public proper?—Yes. In fact, we never give them out unless we can help it. But, of course, lawyers will see them as soon as they can.

(Exhibit A. 10 produced and shown witness.)

Q. Say, whether, in open Court, Judge Beaudry did not order the clerk to make certain entries, and whether out of Court he did not change them himself?—It was sometime in 1874, I remember, that Mr. Justice Beaudry did make this entry "judgment dismissed." Mr. Honey, his clerk, made the entry. Judge Beaudry then rendered one or two judgments, and the gentlemen in the case, if I remember rightly, said they would call the attention of the Judge to it. They drew his attention to some circumstance, and the Judge said, "give me the slip," and he then said "That is not the judgment," and made out another judgment.

Q. Was the other party notified?—I do not think so.

By a Member of the Committee:—

Q. It was in open Court?—Yes.

By Judge Loranger:—

Q. And the other party was not there?—I do not think so, because it made a little noise afterwards.

By Mr. Holton:—

Q. It made a noise afterwards?—The other party complained.

By Mr. Jetté:—

Q. But he had to submit?—Yes.

Q. Is it from that slip that the judgment was drawn?—Yes.

By Judge Loranger:—

Q. Do you think there is a judgment actually rendered, or that there is any legal evidence of the judgment being rendered until the judgment is extended and reduced to its proper form, and signed and approved of by the Judge?—Not until it is engrossed by the clerk and signed by the Judge, and entered in the register. The Judges always told me that without those formalities it was not considered to be a judgment at all. The Judge would alter it as he pleased.

Q. It was his own property until then?—Yes.

GEORGE PYKE.

The Committee adjourned to Monday.

(Translation.)

4th April, 1877.

L. F. G. BABY, Esq., Member of Parliament, being duly sworn, deposeth and saith:

By the Judge:—

Q. Do you remember that I went to St. Julienne, in 1869, to hold the Court, and that I was unable to do it, inasmuch as there was no clerk there?—I remember to have met at St. Julienne, district of Joliette, in the autumn of 1869, I think, the Hon. Mr. Justice Loranger, who had come to hold the Circuit Court there; that

Court could not be held, however, inasmuch as the late Clerk, Mr. De Caussin, had left the country, and his successor had not yet entered upon the discharge of his duties.

Cross-examined:—

It was on the 2nd November, I think. It was my partner, Mr. Richard, I believe, who informed me of the fact; but Mr. Beauchamp, the present clerk, was not yet appointed or sworn in.

I did not go to the Court, as well as I can remember. I saw the Judge at St. Julienne. I cannot say whether I had learned at L'Assomption, that the Court was not to sit at St. Julienne, for want of a clerk.

G. BABY.

REPORT
OF THE
SELECT COMMITTEE
ON THE STATE OF THE
COAL TRADE,
AND FOR THE PROMOTING OF
INTER-PROVINCIAL TRADE.

Printed by Order of Parliament.



REPORT.

The Select Committee to whom was referred the Petition of Henry Mitchell and others, with instructions to inquire into the allegations as to the state of the coal trade contained therein, and into the best means of promoting Inter-Provincial Trade, with power to send for persons, papers, and records, beg leave to report:—

Your Committee, pursuant to the instructions of Your Honorable House, have taken evidence from numerous persons directly interested in the coal industry of the Dominion, in the importation of coal, and in Inter-Provincial Trade generally, as well as others connected with the shipping interest and manufactures consuming coal in large quantities. Several propositions have been suggested to the Committee with a view of promoting the objects of the Petitioners, including the following:

I. The imposition of a duty on coal and other products and manufactures imported into Canada, equal to those levied by the United States Government on importations into that country.

II. The granting by the Government of Canada of a bounty on coal exported to the States equal in amount per ton to the American import duty on the same article.

III. The imposition of a duty of fifty cents per ton on all coal imported into the Dominion.

IV. The imposition of a duty on bituminous coal, combined with a re-adjustment of the tariff generally in the direction of increased protection to home industries.

V. The granting of a bounty by the Government of Canada on Canadian coal shipped from the Maritime Provinces to the United States or to Canadian ports west of Montreal.

VI. The granting of a subsidy to a line of vessels plying between the coal ports in the Maritime Provinces and Toronto or Hamilton.

VII. The exemption from duty of dutiable articles used in the production of coal.

A division of opinion exists among your Committee as to the expediency of acceding to any one of the foregoing suggestions, and they are relieved from the duty of pronouncing an opinion thereon by the fact that they respectively involve propositions affecting the revenue of the country, but they submit the evidence so that such action may be taken thereon as may seem fit.

Your Committee believe that the object for which they were appointed will be best attained by presenting your Honorable House in a succinct form with a review of some of the most material points in the evidence taken by them.

The royalty of ten cents per ton on all coal sales by the coal owners to the Nova Scotia Government is regarded as a grievance or burden by many. It is in the nature of a rental or fee paid for the mining rights, and while there can be no doubt that the sum frequently represents either the profit or loss on the coal raised, your Committee do not feel justified in making any comment upon the policy of the Local Government of Nova Scotia. They may remark, too, that the royalty system is not confined to Nova Scotia. In the United States they have evidence, the royalty or rent paid frequently amounts to 25 cents and in some to 35 cents per ton.

The inquiries of your Committee may be classed under the following heads:—

1. The character and extent of the coal industry, the incidences of coal production, employment of labour in connection therewith, and prices and qualities of Canadian coal.

2. Present condition of the Canadian coal trade and causes of alleged depression.

3. Cost of freights to home or foreign markets.

4. Prices, quality and location of American coal, and distances of miles from objective points.

5. Freights charged by American companies for the conveyance of coal.
6. Relations of coal industry of Nova Scotia to the trade of other provinces.
7. Extent and character of inter-provincial trade.
8. Means of increasing inter-provincial trade.

Your Committee, although they have received some interesting information respecting the coal mining industry of British Columbia, have mainly directed their attention to the coal fields of the Maritime Provinces.

These are to be found in Cape Breton in the counties of Pictou and Cumberland, in Nova Scotia, and the counties of Queen's and Sunbury, in New Brunswick. The New Brunswick coal is however of an inferior quality known as "blacksmith's coal," and the output is insignificant in quantity.

The coal area of Nova Scotia including Cape Breton is estimated at 18,000 square miles, inclusive of the submarine deposits. Many of the seams are of great thickness and the mines are with few exceptions most favorably situated for shipping the coal with little labour or cost for moving or handling.

The mines have been in operation to a greater or less extent since 1785, in which year the yield was 1,668 tons; in 1800 it was 8,401 tons, in 1820 it was 9,980 tons, in 1840 it was 148,298 tons, and in 1854, the year preceding the Reciprocity Treaty with the United States, it was 234,312 tons. Although by the abrogation of the Reciprocity Treaty a severe blow was struck at the export of coal from Nova Scotia to the United States, the increased demand for coal in the older Provinces of Canada supplied the deficiency thus created, until in 1873 the sales of Nova Scotia coal amounted to 881,106 tons. Of that quantity 337,983 tons were sold to other British North American Provinces than Nova Scotia, and 264,760 tons to the United States. In 1875 the sales of coal to other Provinces were 381,711 tons, and to the United States only 89,746 tons; the total sales in 1875—amounting to 706,795 tons, against 471,185 tons, the total sales in 1867, the year succeeding the abrogation of the Reciprocity Treaty, but 174,311 tons less than in 1873. The sales of 1876 show a further decrease amounting in that year to 634,207 tons.

A large capital has been invested in the mines amounting, it is estimated, to nearly \$12,000,000.

This fact has to be borne in mind in considering the causes that may influence those who seek relief from the present depressed condition of this great and important industry which has to be regarded, not simply as an isolated branch of commerce, but as a most important factor in relation to national progress and prosperity.

In illustration of this view, attention may be called to the fact that the carrying trade of Great Britain is enormously benefitted by the existence of exhaustless coal fields, which enable her shipping to resort to all parts of the world with a commodity of universal consumption capable of being used in place of ballast, and the initial cost of which is trifling.

The iron trade, again, is directly dependent on the proximity of coal to the place of production, and tends to the consumption on a very large scale of that product. The relation of the coal to the iron industry may be illustrated by mentioning that in the city of Cleveland, the seat of a large iron trade, the quantity of coal used amounts to 1,100,000 tons annually, or within 300,000 tons of the whole consumption of the Dominion.

The proximity of most of the Canadian mines to the seaboard is a most advantageous circumstance, and renders the best steam coal to be placed free on board at a price varying from \$1.50 to \$2 per ton, while expectations are held out that with an increased output the price may even be somewhat lower. The Nova Scotia ton, it may here be mentioned, is the English ton of 2,240 lbs, while the American ton is, for bituminous coal, 2,000 lbs.

The mines in Nova Scotia employ, when in fair work, some 5,000 souls, representing a total population of nearly 30,000.

This industrial community is largely dependent for the staple necessities of life upon importations from the older Provinces of Canada and the United States. The

effect of coal production upon the shipping industry of the Dominion is too apparent to need special comment.

The evil from which the coal industry of Canada suffers is a restricted market. The consumption of coal on a large scale in Canada is of comparatively recent development. The manufactures of the Dominion are of modern growth, and the forest wealth of the country has proved and still proves a powerful competitor to the products of the mine.

The total quantity of coal consumed in the Dominion was estimated in 1876, exclusive of the consumption at the mines and in British Columbia, at 1,252,313 tons, of which 793,880 tons were imported from Great Britain and the United States.

Of the imported coal it is probable that somewhat less than one-half was anthracite, although the returns did not until lately make a distinction between the two varieties.

It may here be remarked that bituminous coal is used for gas, steam and domestic purposes, as well as in other departments of industry, while anthracite is chiefly employed for domestic use and in iron foundries.

For the former of these purposes, the demand for anthracite coal appears to be steadily increasing. This coal is exclusively of foreign production, the English and Canadian coal being only of the bituminous class.

The causes of the gradual extinction of the American demand for Nova Scotia coal are chiefly :—

1. The imposition, by the United States, of a duty of 75 cents per ton on all imported coal; and

2. The large reductions made by American companies on coal rates in order to enable mines on their respective lines of road to compete successfully with other mines in the United States or those of Canada. This system is carried to its furthest length in the transportation of coal to the North-Eastern States, where Canadian coal would, on even terms, prove a very powerful rival.

The evidence adduced before your Committee goes to show that the quality of many of the Nova Scotia and Cape Breton seams is equal to that of the best description of United States or English coal, with perhaps one or two exceptions.

In the Province of Quebec the bituminous coal of Nova Scotia has literally nothing to fear from United States competition. The facilities for its transport are such that as far west as the city of Ottawa the native product controls the market. Its competitor in this section of the Dominion is British coal exclusively; and the competition is intensified by the fact that the imported coal brought out from British ports as ballast, the shipowners being content, as they save the ordinary cost of ballasting, to make a very small profit, or even to sell the coal at cost price. The importations of British coal to the Province of Quebec average from 160,000 to 180,000 tons per annum, but the supply is fitful and unreliable, being subject to all the variations and uncertainties incidental to the circumstances under which it is exported.

From the Ottawa River westward, United States coal has hitherto been used exclusively, with the exception of a few experimental cargoes sent to Toronto and Hamilton. In some instances the reputation of the coal has suffered from want of care in the selection of the sample, but in others the merchants speak of the quality of the coal in high terms; and there appears to be no reason, assuming that the price is not higher at the place of its destination than that of the United States coal, why Nova Scotia coal should not be sold largely in Ontario.

Situated almost close to its port of shipment, it has, although the initial cost be somewhat higher, a considerable advantage at the outset over the coal of the United States, which has usually to be carried distances of from 100 to 180 miles to the nearest port available for water carriage to its destination. But, on the other hand, the carriage of Nova Scotia coal for 1,200 miles by water, and the want of vessels suitable for the combined Gulf and lake trade, especially pending the deepening of the canals, have hitherto proved powerful, if not insuperable, obstacles to the Western Ontario market being supplied with coal from Nova Scotia.

Your Committee have bestowed much attention on the comparative cost of Nova Scotia and American coal at Toronto and Hamilton, and a large amount of evidence has been taken on this point. While, on the one hand, the representatives of the Nova Scotia coal interests have no data at present existing whereon to base their actual experience, the importers of United States coal can of course quote exact figures averaged on the transactions of many years.

Witnesses interested in the extension of the Nova Scotia coal trade are sanguine that, if arrangements can be made for obtaining return freights for the Maritime Provinces, they can place steam coal or domestic coal of the first class on the wharf at either of the cities above-named for \$4 per ton of 2,240 lbs., equal to about \$3.55 for the short ton of 2,000 lbs. This is as low a price as, under ordinary circumstances, can be quoted for the United States coal of secondary quality, while Briar Hill and the higher classes of American coal stand at a much higher figure.

An exact comparison is extremely difficult, owing to the great variety in quality of all descriptions of coal, and their adaptability or otherwise to different purposes. A recent contract made by the Grand Trunk for a supply of steam coal for its locomotives may afford some criterion whereby to judge of the cost at which, without regard to any special arrangements for downward freights, may be laid down in bulk at Montreal and Toronto respectively. The tenders accepted for Montreal by the Grand Trunk were, for Nova Scotia coal, at \$3.96 per long ton on the wharf, or, adding 27 cents for cartage, \$4.23 in the yard. At Toronto, the tender for American coal was accepted at \$3.40 per short ton in the yard, or equal to \$3.78 on the long ton, a difference in price between the two tenders of 45 cents in favor of the United States coal at Toronto. If to this be added \$1 per ton, the lowest rate at which it has been suggested coal can be borne from Montreal to Toronto, and the difference may be stated in round figures at \$1.50 per ton against Nova Scotia. This supposes the absence of any such special arrangements for round trip freights as are referred to elsewhere.

For the best gas coal the prices paid in Toronto and Hamilton, where American coal is used, are \$4.80 and \$4.75 respectively for short ton, while at Montreal the price paid by the Gas Company for Nova Scotia coal is \$5.50 per long ton—a difference in favor of United States of only 17 cents, to which would have to be added the cost of transport if Nova Scotia coal were used in the western cities; but there is evidence to show that the price above quoted is the maximum cost of Nova Scotia gas coal at Montreal.

While the evidence tends to show that United States gas coal is more free from sulphur than the coal of Nova Scotia, the latter produces a very large proportion of coke of fine quality, and the perseverance shown by the gas companies of Montreal and Ottawa in overcoming initial difficulties, in order to adopt Nova Scotia coal permanently as the material for their manufacture, is very strong inferential testimony in favor of the native product.

The great importance of encouraging the closest commercial relations between the provinces of the Dominion, induces the strongest hope in the minds of your Committee that the efforts of those at present engaged in endeavoring to promote inter-provincial trade, may be successful. Your Committee have given the fullest opportunity to the parties interested, to place their views and proposals before the country; and trust the result may be to evoke a spirit of generous co-operation on the part of capitalists who may be prepared to embark in such enterprises. The testimony of those who have made the subject their study, is very strong, as to the commercial benefits that have accrued to the older provinces from Confederation, and the large volume of inter-provincial trade created, since the political union of the Maritime Provinces with Ontario and Quebec. While the existing rail and water routes from Western Canada to the Nova Scotia seaboard, and the close commercial relations existing between some portions of the Maritime Provinces and the United States, necessarily tend to limit the bulk of eastward freights obtainable for local consumption by any new competitors, it has been suggested, that the favorable position of Sydney, Cape Breton, and other Nova Scotia ports, for developing a foreign trade,

may, if a direct means of cheap transportation be established, provide an outlet for the products and manufactures of Western Canada to an unlimited extent. The details of such arrangements are too numerous and complicated for recapitulation; but the evidence bearing thereupon, will, your Committee believe, deserve attentive perusal.

Your Committee have abstained, as far as possible, from importing into their investigations, or the report founded thereon, matters of a political or controversial character. They only desire to add their hope that, in spite of many difficulties surrounding the question remitted to them, their labours may result in a clearer appreciation of these difficulties by Parliament and the country; and also, of the means by which, wholly or in part, they may be overcome.

Your Committee also report, annexed hereto, a minute of their proceedings this day.

All which is respectfully submitted.

N. L. MacKAY,
Chairman.

COMMITTEE ROOM,
27th April, 1877.

EXTRACT from *Minutes of Select Committee on "Coal and Inter-Provincial Trade."*

COMMITTEE ROOM,
27th April, 1877.

Committee met at 11 o'clock, a.m., pursuant to adjournment.

PRESENT:

Mr. N. L. MacKAY, *Chairman.*

Messieurs

Dymond,
Sinclair,
Power,
Flynn,

Workman,
Goudge and
Macdonald (Toronto).— 8.

A Draft Report having been read by the Chairman was adopted, and ordered to be presented to the House with the evidence taken before the Committee, and also the proceedings of this day.

Mr. Macdonald (Toronto) moved "That the Report embody a recommendation in favor of granting a bonus of 50 cents per 1,000 tons, from any one company, on coal delivered at Kingston and ports west thereof," which motion was declared lost on division.

Adjourned.

Attest,

P. A. STEWART,
Clerk of Committee.

MINUTES OF EVIDENCE.

FRIDAY, March 23rd, 1877.

MR. JOHN RUTHERFORD, called and examined.

By the Chairman:—

Q. You reside at Halifax?—Yes.

Q. How long have you been associated with a coal mining company?—Five years with the General Mining Association.

Q. Is that a large body?—Yes. It has the largest coal operation in the Province.

Q. Have they much capital invested?—I cannot say exactly. It is a very large amount.

Q. Can you approximate?—About £200,000 or £300,000.

Q. Were you associated in the same line of business with any company before?—No. I was inspector of mines for six years prior to my connection with the General Mining Association.

Q. Did that give you an insight into the practical working of the collieries in Nova Scotia?—Yes; it afforded means of meeting with the different managers.

Q. Were you connected with coal mining before then?—Yes; have been connected with coal mining, there and in England, for nearly thirty years.

Q. You have then a practical knowledge of the properties of the coal in Nova Scotia?—Yes.

Q. What can you say with reference to the quantities?—That is one point on which I have not the information with me. I will be able to supply you at a future meeting.

Q. Are the coals in Nova Scotia proper of the same qualities as Cape Breton?—Very similar. Most of the Cape Breton coals are very like the coals in England, with a difference of qualities as in England.

Q. What I mean is, are the coals in Nova Scotia proper of the same quality as in the island of Cape Breton?—Yes; they are bituminous.

Q. But are they of the same quality?—No. The coal in Cape Breton is a softer coal—more of a gas coal, with the exception of the Sidney mines.

Q. I gather that they are, to a certain extent, different?—Yes, in quality; that is, speaking of the Pictou coal. The Springhill coal is not so much like Pictou coal; it is more like the Cape Breton coal.

Q. Then all the coal fields in Nova Scotia proper, are not similar in character?—No.

Q. Are some of them peculiarly adapted for certain purposes?—Yes.

Q. What purposes?—Nova Scotia proper, or rather Pictou coal, is adapted for steam purposes. It is not used, or is used very slightly, as a gas coal. It is used chiefly for steam and stove purposes.

Q. And the Springhill coal?—It is also used for steam purposes. I don't think it has been tried much for gas, but for stoves and open grate burning and steam purposes.

Q. Then are the coals of all the Pictou coal fields of a similar nature?—Yes; they are all of a similar class; some better and some worse.

Q. Of what character do the Cape Breton coals partake?—They are excellent for gas; in fact of a very high character for that purpose.

Q. Can you mention the illuminating power?—From 9,000 to 10,000 cubic feet per ton of coal.

Q. How will that compare with the illuminating power of English coals?—Very fairly. 10,000 feet is considered fairly high.

Q. That is per gross ton of 2,240 lbs?—Yes.

Q. For what purposes are Cape Breton coals adapted?—They are very largely used for household purposes.

Q. Are they peculiarly adapted for that—any of them?—The Sidney coal is perhaps the favoured coal in that respect. It is sold almost exclusively for household purposes; it is used for steam too.

Q. Are these good steam coals in Cape Breton?—Yes.

Q. Have they been tried, can you say, by any of the imperial standards?—They have; they have been taken every year more or less on board French and English steamers.

Q. They are used by French and English men-of-war?—Yes.

Q. Do you know if they are accepted as giving satisfaction?—I believe they are well pleased with them for that purpose.

Q. You say there is one class of coal for household, another for steam and another for gas purposes in Cape Breton?—Yes.

Q. Do you know anything about the American bituminous coals?—Yes; I have seen them.

Q. Do you know how they compare with our bituminous coals?—We think ours compare very favourably with them; certain classes are very much superior to some American coal I have seen—I mean for general purposes; if I were asked to define it more clearly I would say that much of the American coal I saw at the different places between here and Toronto, and at Toronto, was inferior to the Nova Scotia and Cape Breton coal.

Q. From what you saw, did you consider that we have as good steam coal as in the United States?—Yes.

Q. Have you as good gas coal?—I think so.

Q. And household coal of a bituminous nature?—Yes.

Q. When you speak of a ton of coal in Nova Scotia, what weight do you mean?—It is the long ton—2,240 lbs.

Q. Do you know how it is sold in the United States?—By the short ton.

Q. Invariably?—So far as I know.

Q. There is no anthracite coal in the Maritime Provinces?—No.

Q. Can you mention the quantity of coal sent to the United States last year; I suppose you have the figures?—71,634 tons was the quantity sent to the United States in 1876.

Q. Does that include slack coal?—Yes; the total sales; I got these figures from the official report; I might state in this connection, that our sales in 1873 were 264,760 tons.

Q. When was your largest export sale?—465,194 tons in 1865.

By Mr. Dymond:—

Q. That was during the Treaty?—Yes.

By the Chairman:—

Q. What was that coal particularly used for in the United States?—Principally for steam and gas purposes.

Q. Can you tell where that has been supplied from since?—I think from their own mines.

Q. What is the rate of duty on bituminous coal going into the United States?—Seventy-five cents per ton.

Q. Do you know the quantity of slack?—I cannot tell now, but I will be able to get you the information.

Q. What is the duty on slack?—Forty cents per ton.

By Mr. Dymond:—

Q. You think the duty on slack is forty cents?—I think it is at present.

Q. You state that this market is supplied by the United States people themselves?—Yes.

Q. Do you know whether there is any further obstacle besides the duty to our exporting coals to the United States; have they pursued any system that involves such a drawback?—There is the price of their own coal, and the consideration they received from the railway companies.

Q. What do you mean by saying the price of their own coal?—I mean the price they are selling their coal at, in connection with the allowance made by the railways. The allowance enables them to put in the coal at the lowest price.

By the Chairman :—

Q. What coal fields do you refer to?—Pennsylvania, West Virginia and Maryland.

Q. These shipments from Nova Scotia, which you have spoken of, were principally to the eastern ports?—They were New York, Boston and other eastern ports.

By Mr. Dymond :—

Q. You say they are now supplied with United States coal?—Yes.

By the Chairman :—

Q. Can you say how it is sent; from what point; is it from Baltimore?—I think it is from Baltimore.

Q. You say it comes from West Virginia to Baltimore?—Yes.

Q. Now could they successfully compete with our exports in the eastern ports without this drawback or bounty you speak of; perhaps you will explain by figures what you mean by this drawback?—Do you mean as to the price of American coal?

Q. Yes. We want to understand the advantage you spoke of in favour of the American coal?—The price of the best Cumberland coal last year was \$4.90 in Boston by the short ton.

By Mr. Dymond :—

Q. Where does that coal come from?—Maryland, I think.

Q. Can you state what the coal cost at the place of production?—No, I cannot.

Q. Can you explain how it is that they can lay down in New York or Boston a ton of bituminous coal for \$4.90, coming all the way from West Virginia?—In the first place the cost of production is moderate, and then there is the allowance by the railway companies.

Q. You speak of an allowance by the railway companies; of what nature is it?—It is a rebate of \$1.25 per ton.

Q. In order to convey coal cheaper than other freight?—Yes.

Q. Do you understand the working of it entirely?—I don't know very much about that.

Q. You know simply the fact that there is a reduction or rebate?—Yes.

By Mr. McGregor :—

Q. What brings about the rebate?—Well, it is for coal that is shipped.

Q. Who pays it?—The railway companies allow it for the carrying of coal from the mines.

By Mr. Tupper :—

Q. It is not then a difference as between coal and other freight, but as between coal for local consumption and that for shipment?—Yes, that is it.

Q. It is tantamount to their paying more for their coal in Baltimore, than, say, in Boston?—Yes, I believe that is the way it works.

By Mr. Macdonald (Centre Toronto) :—

Q. Is this rebate an established usage, or a temporary arrangement?—I think it is an established usage.

Q. Can you assert so positively?—No, I cannot.

By Mr. McGregor :—

Q. It is usual with railway companies, is it not, to say to the company having a certain amount of coal, "We will carry 100,000 tons of coal upon certain rates, less forty cents off. If you ship up to 200,000 tons we will give you 60 cents off and so on"?—That is an ordinary way of doing it. My impression has been that it has been in use for some time and that there was no limitation with regard to quantity.

Q. When you ship 100,000 tons, you pay, say, \$2 per ton until you get up to the

100,000, and then they repay you forty cents; then the usual rate will be paid up to 200,000, and then sixty cents will be repaid, and so on?—I think that is the way.

By the Chairman :—

Q. I understood you to say that this rebate was allowed on coals transhipped from Baltimore to the northern ports, but not allowed so far as you know on local sales or consumption?—No, it is not. It appears to be done for the purpose of getting into direct competition with our coal in the eastern markets.

Q. What authority have you for arriving at that conclusion?—Well, I implied it from the fact of them taking that coal under these circumstances, and considering also the extent they used to take it before. They used to be perfectly satisfied with our coal, but they now take other coal in preference.

By Mr. McGregor :—

Q. Don't you know that the general freight is down one-half to two-thirds on the usual rate?—Yes, I know that.

Q. Coal is much cheaper at Baltimore than it was two years ago?—Yes, I think it is.

By the Chairman :—

Q. What is the effect of this on the Nova Scotia coal trade, in so far as the north-eastern ports of the United States are concerned?—To exclude our sales.

Q. Would a duty of seventy-five cents per ton of itself exclude our sales if this system was not adopted?—I think it would, partially.

Q. To the same extent as now?—No, I don't think so.

Q. Where is the natural market for Nova Scotia coal?—That portion of the United States.

By Mr. Workman :—

Q. As far south as Baltimore?—No, between New York and Boston,—the New England States.

Q. Is coal more cheaply mined in the United States than in Nova Scotia?—Yes, I think it is. I think they are differently circumstanced, but I cannot speak from personal knowledge, only from general information. They may have trouble with water for instance, but not to the same extent that we have. We have to sink deep shafts. The circumstances are certainly in their favour.

Q. What natural advantages have we over them?—All our mines are close to the seaboard.

Q. Did you not ship larger quantities when the duty was \$1.25 than now?—Yes.

By Mr. Tupper :—

Q. The reason for that is the largely decreased cost of production in the United States, owing to the fall in the price of labour?—Yes, that is the reason.

By Mr. Macdonald, (Centre Toronto) :—

Q. Does it arise from the decreased cost of production in the United States; doesn't it occur from the increased cost of production in Nova Scotia?—No, I don't think it does.

Q. What I want to get at is this: is the cost of production greater now than then; of course, by cost of production, I mean salaries, entire management, construction, account and all that kind of thing—the whole cost of production?—I believe the cost of production is less than it was.

By Mr. Tupper :—

Q. Is not the decrease in the cost of production in the United States promoted by the increased demand; is not coal one of those things, the cost of which increases as you get below the capacity of the mines, and decreases as you get up to their capacity of production?—Certainly that is the case.

By Mr. McGregor :—

Q. Are you not aware that one of the great reasons for the low price of coal is the finding of new mines in Western Virginia, Ohio, and a portion of Pennsylvania—new sections of country, and the building of railways to them?—That probably may have some effect.

By Mr. Fuller :—

Q. By your answer to my last question do you mean that anything that will increase the sale of Nova Scotia coal will decrease the cost at which it can be profitably mined?—Very materially.

Q. If a mine had a capacity for an out-put of 100,000 tons and the demand was only 50,000—suppose they could only effect the sale of that quantity at, say \$2.00, what could they put it out for if the demand was up to their capacity of 100,000 tons?—I should say \$1.50.

By Mr. Workman :—

Q. How do you prove that?—We have to keep up a certain establishment in the case of 50,000 tons; and where we increase the quantity, the establishment is more proportionately increased by any means. We have certain standing charges, and if we can divide the charges by double the amount of production, it would make the difference I have stated.

Q. The standing charge in that case must amount to \$25,000. Of what do they consist?—In keeping the mines open, whether working or not. We have to have mechanics and labourers, in fact a staff necessary to keep everything in proper working order.

Q. You think then the addition would be equal to \$25,000?—The addition of what?

Q. You say that 100,000 tons could be produced at \$1.50 per ton, whereas 50,000 could only be produced at \$2.00 per ton, therefore the extra expense in the staff, labour and so on, will amount to \$25,000?—Yes, that is an illustration of how it would work.

By Mr. Macdonald (Toronto) :—

Q. This Mining Association you spoke of has a capital of about one million dollars?—Yes.

Q. How many tons will they turn out in the year?—The out-put has been from 150,000 to 160,000 tons. I mean the one concern—the Sidney and Lingan mines.

Q. What is the value per ton; the selling price?—About \$2.25.

Q. At the pit's mouth?—No; free on board.

Q. Per long ton?—Yes.

Q. How many hands are employed in that mine?

By the Chairman :—

Q. These two mines belong to the one concern do they not; I think if Mr. Rutherford would speak of them as one, it would simplify the examination; they both belong to the one association?—I speak of both mines.

By Mr. Macdonald (Toronto) :—

Q. Then the 150,000 to 160,000 tons produced are from the two mines?—Yes.

Q. How many hands do you employ?—Between 500 and 600.

Q. What are the average daily wages?—There are different classes of miners, and they receive different wages.

Q. Take an average?—Well, that would be difficult to do, as they are not paid by the day but by the ton.

Q. You will have some idea; what do you pay them on the ton?—Well, I think, with all deference to the committee, that it is scarcely fair that I should state in detail the actual cost of production. I give you what may be about it.

Q. I am not asking you the cost of production. You have 600 employes; have they steady work?—No; certainly not.

Q. Have they half work?—No. Well we have more than half work at the Sidney mine.

Q. Will they average half work throughout the year? Yes; I should think they would.

Q. Can you give us the average daily pay of one of these men; I mean the men engaged in the mines?—The miner's average is \$1.50 per day.

Q. I suppose it would be a fair and reasonable estimate to take 300 men—you say

you have 600 men—at \$1.50 per day; that is only allowing them half pay all the year round?—I don't see any objection to the average you are taking.

Q. Well, take say 300 at \$1.50. What are the managers' salaries?—They vary considerably.

Q. Take these two mines?—£500 sterling a year.

Q. Then with regard to office expenses; how many clerks have you?—I am unable to give you these details.

By Mr. Dymond:—

Q. Do you mean that you object to give the details, or have you not the information?—I prefer to deal with it generally as to the cost of production, without the details, for I think it is scarcely fair to go into all the details.

By Mr. Macdonald, (Toronto):—

Q. Can you, in so many words, say what the expense account is for a year?—I don't think I can give you that.

Q. Is there a semi-annual dividend?—I am sorry to say there has not been since 1873.

Q. Can you tell me what amount this company has invested in buildings?—No; I cannot tell.

Q. Do you know what amount they have invested in railways and railway stock?—I don't think I could give you an answer at present.

Q. Can you state what amount is invested in wharves?—No; I cannot.

By Mr. Tupper:—

Q. You have been, you say, thirty years engaged in, or connected with, coal mining, and are familiar with every branch of the business?—Yes.

Q. You have been eleven years in Nova Scotia—six as Government Inspector of all the mines, and five as manager of the largest?—Yes.

Q. I want you to state the lowest price at which you think, in the present state of the country, assuming that there was an increased demand for Nova Scotia coal, that it could be put free on board. I mean under the assumption that by any means the production could be largely increased?—Of course there is a great difference. Some mines are better situated, in all respects, than others, and therefore work the coal more cheaply. In answer to your question I would say that the average might probably be under \$1.25.

Q. What do you think the effect would be of giving you a bounty of seventy-five cents per ton on all coal shipped from the Province of Nova Scotia to the United States; what would be the effect upon the production?—It would increase the production at once. I believe that would almost entirely give us the market again.

Q. Would the imposition of a duty of fifty cents a ton on coal carried into the Dominion largely increase the production of coal in Nova Scotia?—Yes; I think it would.

Q. What is the lowest price at which it can be produced now in Nova Scotia?—The average is about \$1.50.

Q. And you think the effect of imposing a duty of fifty cents per ton would be to so largely increase the production in Nova Scotia as to materially reduce that cost?—Yes.

Q. How much; to the extent of 50 cents per ton?—In some cases, it would reduce it to the extent of enabling the mines to work pretty nearly up to their capacity. I think it would reduce it on the average to below \$1.25.

Q. Then the effect of giving a bounty of 75 cents per ton on coal shipped to the United States, or the imposition of a duty of 50 cents per ton on imported coal, would be to reduce the cost of production in both cases to something like \$1.25?—Yes.

Q. Free on board?—I don't mean the selling price. I thought you were speaking of the cost of production.

Q. Of course the price of putting the coal free on board is the cost of production?—No; we want some profit.

Q. Well, it is relatively the same thing.

By Mr. Campbell:—

Q. Have you calculated the royalty?—Yes.

By Mr. Tupper:—

Q. What profit would you have on a ton of coal laid down at \$1.50?—It would vary. Some can produce coal at a lower rate than others.

By the Chairman:—

Q. Is it a fact that one colliery may ship coals at \$1.50 and make a fair profit, when another colliery alongside, or in the same district, could not have the same amount of profit by selling at \$2 or \$2.25?—Yes.

Q. For the same quality of coal?—Yes.

By Mr. Tupper:—

Q. What I want the Committee to understand is the point at which it can be put free on board, assuming that there was a large increase in the demand for Nova Scotia coal; I want to know the lowest average price at which it can be put free on board?—Less than \$1.50.

Q. How much less?—I should say it would vary according to the position of the mines and their circumstances, from \$1.30 to \$1.50 probably.

Q. You spoke of the quality of Nova Scotia coals as being superior to many of the American coals for gas and steam purposes. You did not speak of the manufacture of iron. Have you coals in Nova Scotia well adapted for that?—I don't think it has been tested, but I believe we have coal in Nova Scotia which is similar to the Scotch and other coals used for that purpose.

Q. Has not Sir William Logan given his testimony that the Springfield coal is admirably adapted for the manufacture of iron?—Yes; I believe he has.

Q. From your knowledge of coal you believe you have coal of that kind?—Yes.

Q. How do you account for the fact that the large quantity of coal that was sent to the United States in 1873—264,760 tons—dropped down to 71,000?—From the increased competition in the United States, and from the altered circumstances as to the cost of production.

Q. To the bounty which the railway companies practically gave to the mines—Yes.

By Mr. Dymond:—

Q. Was this reduction or drawback in existence in 1873?—I cannot say.

By Mr. Tupper:—

Q. What dutiable articles are consumed in the mines?—I can only name some of them to-day. There are iron, steel, gunpowder, gauges, nails, shovels, wire ropes, tubing, fire-brick, and so on.

The Committee then adjourned until Saturday at 11 o'clock.

SATURDAY, March 24.

Mr. RUTHERFORD was re-called.

By the Chairman:—

Q. Can you give us a statement of the quantity of Nova Scotia coal exported last year to Quebec?—Yes. I have it for 1873, 1874, 1875 and 1876. In 1873 it was 187,059 tons; in 1874, 162,269; in 1875, 189,754; in 1876, 117,303. These figures are obtained from the reports of the Nova Scotia Inspector of Mines.

Q. Can you tell the quantity imported from England?—I have it for the fiscal years 1874-5 and 1875-6. For the year ending June, 1875, the quantity was 139,600 tons; for the year ending June, 1876, 168,642 tons.

Q. Have you any figures to show the quantity of coal imported from the United States into Quebec?—I think Mr. Lithgow has the exact figures.

Mr. LITHGOW was called.

Q. Can you give us the quantity of coal imported from the United States into the Province of Quebec?—For the year ending June, 1876, the amount was 122,673 tons; for 1875, 106,332. I have not the figures for 1874.

Mr. RUTHERFORD was re-called.

Q. Can you say as to whether the trade between Quebec and Nova Scotia in coals has decreased to any great extent?—I have the figures as far back as 1873. They were in 1873, 187,000 tons; last year they were 117,000 tons.

Q. Can you say whether the trade was as extensive say ten years ago as now?—No. I cannot speak as to that.

Q. Can you speak as to the freights on coal between the Nova Scotia coal ports and Montreal?—Yes. I can give you some information on that point. From the Pictou district it has been carried at from \$1.75 to \$2.12 to Montreal. That is per long ton.

Q. I suppose you are not acquainted with the freight from there up to Toronto?—I have not ascertained the freight for this year. Last year I stated to the Depression Committee that it was \$1.50. That was the information I received at Montreal, but when I went afterwards to Toronto I saw two or three parties who were willing to contract for \$1.00 to Toronto.

By Mr. McGregor:—

Q. That would be \$2.75 from Pictou?—Yes.

By the Chairman:—

Q. Can you state as to what amount of duty it would be necessary to impose for the purpose of enabling the proprietors of coal mines in Nova Scotia to place coal at Toronto to compete with the American markets?—That depends upon the price of American coal at present at Toronto.

Q. Not being able to speak as to the price of American coal in Toronto, you cannot say?—No.

Q. Is there any export duty in the Province of Nova Scotia upon coals, and if so to what extent?—There is a royalty payable to the Local Government of ten cents per ton, which we term an export duty, for it does amount to that. The annual amount of the royalty for the last eleven years has been between \$50,000 and \$60,000. It was \$83,000 in one year—1873, I think

Q. Was the royalty paid from all the mines?—Yes.

Q. Was it not as high as \$100,000 at one time?—I think not. The royalty is upon the sales; perhaps you refer to the entire production.

Q. Is there a royalty on slack?—No, on large coal.

By Mr. Macdonald, (Toronto):—

Q. Can you give me the information I sought for yesterday respecting the amount that particular mine has invested in buildings?—No, I cannot. I would wish to add to my answers in connection with that mine, that it is exceptional in this sense, that the Sidney mine is perhaps less interested than any other so far as extension of trade in this direction is concerned. It is an entirely local mine, and is an expensive one to work. I want to be understood as speaking of mines generally.

Q. In reference to the coal from that mine, you are not of opinion that anything that could be done would help you?—I have no doubt that we would participate in anything that might be done. I don't mean to say they would confine the trade to the local demand.

By the Chairman:—

Q. Would other outlying mines compete with you for household coal; it would assist you in that way?—They would certainly interfere and extend the thing wherever they could.

By Mr. Macdonald (Toronto):—

Q. Is it not true in reference to some three of the mines—you will be able to know the ones—that they have three distinct lines of railway, and three distinct wharves, when one railway and one wharf would be quite sufficient to carry all the coals that these produce; is not this a barrier against any kind of remuneration being had from these mines?—I don't think so. They have their railways and wharves because they are situated some distance from the public railway. They find it better to have their own shipping places entirely distinct.

Q. Yes, but this seems to me to be a vital point. Is it not true that one of these railroads and one of these wharves would take the whole of the coal that is produced at these three mines?—Yes, that could be done. When the mines were opened there were not the required railway facilities, and they were obliged to get to the shipping places as best they could. It was a necessary part of the establishment to build them.

By Mr. Goudge :—

Q. Where are they?—I think at Pictou county.

By Mr. Macdonald (Toronto) :—

Q. When you spoke about the Manager's salary being \$2,500, does that include expenses, a house and other things of that kind?—He is allowed a house and coal; that is all.

By the Chairman :—

Q. You have reference now to the salary or remuneration of the Manager of one of the largest—if not the largest colliery in the place?—Yes.

Q. Do you think that other Managers receive that amount?—I think that is much about the average.

By Mr. McGregor :—

Q. What effect would the fall of gold have upon your prices; there is a great difference between the price of gold this year and last; do you get paid in gold?—We get paid in ordinary currency.

Q. You deliver coal at New York and Boston?—We are an exception to the ordinary mines. We have never sold coal delivered but at the mines, through agents. They pay us no gold.

Q. When you speak of \$1.90 then, you mean that amount in gold?—Yes.

By Mr. Tupper :—

Q. Would you please state the amount of duties paid by all the mines?—I have not got all that information yet.

Q. What I want is a statement of the duties paid annually by all the mines. I don't mean the royalty, but the duty on the articles they consume at the mines?—I can give you those of one mine. The value of dutiable goods per annum was \$7,195.

Q. That doesn't give the amount of duty paid; have you not a statement of that kind?—Yes.

By the Chairman :—

Q. Do I understand you to say that that represents the value of the dutiable goods, or the duties?—That is not very clear in the report given to me. It is "the value of the dutiable goods used per annum at the mines."

By Mr. Macdonald (Toronto) :—

Q. That must mean the value of the goods. What colliery is that?—The Acadia Colliery.

By Mr. Dymond :—

Q. I understand by what you have said that you mean the materials used in working the mines?—Yes. I will be able to produce at another meeting of the Committee a statement of the amount paid in duties. You were speaking yesterday of the materials on which duties are paid. I find there are only three articles on the list I have made on which the lowest rate of duty is paid, viz., hemp, ropes, iron; and I will name some of the articles on the 17½ list:—Steam gauges, nails, riddles, miners' lamps, screws, harness fittings, latches, glass, paint, brushes, foundry blacking, lamp-gauze, oat-bags, lampwick, leather-cloth, tubes for measures, candles, chains, washers, nuts, wire ropes, leather, powder, shovels, iron tubes, stationery, and oil.

By Mr. Tupper :—

Q. Do you consume oil?—Yes. I did not name it on the list because we hadn't it on that invoice.

By Mr. Dymond :—

Q. The mine is a proprietary undertaking?—Yes.

Q. Are the proprietors resident, or mostly in England?—Mostly in England.

Q. How long has it been in their hands?—A good many years. It is one of the earliest mines that has been worked.

Q. Then are the whole of the mines of Cape Breton in the hands of non-resident proprietors?—Not now. That arrangement terminated, I forget in what year; I think in 1858, and the Company now holds certain areas which they were allowed to select at that time. All the rest of the coal area is in the hands of the local Government.

Q. The local Government own the mines, and the mines are worked by Companies?—Yes.

Q. And are those Companies represented by resident proprietors, or mostly by persons abroad?—There are exceptions. Some have resident proprietors, the owners of others are in the United States.

Q. In that case the management is in the hands of officials?—Yes.

Q. Besides the manager, what officers have you actually engaged in the work of the mines?—We have a financial agent in Halifax, Mr. Morrow, (of the firm of Cunard & Morrow). They have had the agency for many years.

Q. Have you a Board of Directors resident?—No.

Q. About what number of persons are actually engaged in the production of coal?—Between three and four hundred.

Q. Men, women and children?—Only men and boys.

By Mr. Tupper:

Q. You stated 600 yesterday?—I am now speaking of the Association mine. We have about 260 or 270 coal cutters at the two places. The rest is made up with engineers, shippers, and labourers.

By Mr. Dymond:—

Q. All actually in the work of producing and shipping coal?—Yes.

Q. What amount annually do you pay in wages to these persons?—Our pay bills have been something like \$13,000 or \$14,000 per month.

Q. In producing about the quantity of coal, in tons, which you have named?—Yes.

Q. You stated that the market rate of coal in Boston, last year, was \$4.90?—Yes.

Q. Did you engage in any transactions at that rate?—No.

Q. Do you know of others who did?—I cannot speak of all the mines. \$4.90 was the price of American coal.

Q. That was the market rate of coal in Boston?—Yes.

Q. Are you aware of Nova Scotia coal being shipped to Boston at that rate?—No, I am not.

Q. What you meant was that the price of American coal was \$4.90?—Yes.

Q. Currency or gold?—Currency.

Q. You stated that, in your experience, Nova Scotia and Cape Breton coal compares favourably with the coal sold at the Boston market?—Yes.

Q. On the whole, would you consider it rather better?—I think, from the fact of their having, for so many years, taken the Cape Breton and Nova Scotia coal, it may be inferred that they liked it.

Q. What was the freight, last year, for coal from your ports to Boston?—From \$1.75 to \$2.00.

Q. Now, for a cargo of coal of the quality we speak of, what would be the lowest rate the Nova Scotia coal proprietors could afford to take?—I believe there was coal sold for \$1.50 free on board.

Q. Would you, by means with which you are acquainted, be prepared to take contracts at \$1.50 for Boston?—Contracts to the extent to enable us to work to the capacity of our mines?

Q. 50,000 or 60,000 tons?—Yes.

Q. Then, if you add to the \$1.50, (the price of the coal) the \$2 rate of shipment and 75 cents duty, that would bring coal to \$4.25 in Boston?—Yes.

Q. Some information we had respecting the price of American coal, last year,

gives the average of Nova Scotia coal in Boston at \$4.75. According to what you say, you could lay down a cargo of coal in Boston at \$4.25 cost?—Yes.

Q. That is the cost there, allowing no profit to the Boston merchant, leaving him fifty cents on the current rate of \$4.75?—Yes, but we don't sell in that way, we sell it at the mine through an agent.

Q. I ask you, from your general knowledge, what it can be put on board for at your ports and what it can be carried to Boston for, and pay the duty. That, it is stated, makes it \$4.25 in Boston; you say the price \$4.75 is the average price?—Yes.

Q. So that, if, in addition to the \$4.25, we were to give you a bounty of seventy five cents per ton, that would be so much more profit in your pockets?—It would enable us to extend our sales.

Q. It would be so much additional profit?—No, I think it would be required to pay the increase of freights. Freights have been moderate for the last few years, and I don't think they can be maintained at that.

Q. I have taken the highest freight. If we were to pay you seventy-five cents per ton bounty, that would be so much clear profit, assuming the transaction to take place at the present time?—Yes.

Q. Are you aware of any offers for cargoes at less than \$2 having been refused?—No, I have not.

Q. You mentioned that the price was \$2.25?—That is Sidney coal.

Q. We are speaking now of first class coals. What would you give as the average price of Nova Scotia and Cape Breton coal for ordinary transactions in large quantities?—I think it might be got from \$1.50 to \$1.75.

Q. Do you know of any transactions that have taken place under \$2?—Not from my own knowledge.

Q. You are here as an expert. Have you heard of any?—Yes, I have heard that sales have been made. I have reason to believe that coal was sold at a less rate.

Q. Is there an association or combination among the coal miners of Nova Scotia for regulating their trade?—No.

Q. Have you no society at all?—There is an association at Pictou, but it is confined to ordinary matters pertaining to the mining operations.

Q. Do they come to any arrangements with regard to prices?—No.

Q. It is perfectly free?—Yes.

Q. Do you ever combine for the purpose of getting any advantages from the steamboat owners?—We have not.

Q. Does any arrangement of that kind exist? I believe one of the kind does exist at Pictou.

Q. Do you know that American companies have greatly reduced freight rates by such joint arrangements?—I have heard that they have.

Q. You have not made personal enquiry into the character of these arrangements?—No.

Q. Have you taken any steps yourself, or do you know of others who have, to obtain a new foreign market for coal, independent of the United States?—We sent a little to the West Indies; last year we sent a cargo or two, and the year before.

Q. Were the results satisfactory?—No.

Q. Why?—Because of the cheap rate at which they can get the English coal.

Q. Does that arise from their having return freights?—Yes.

Q. Have you any difficulty with regard to shipping to the West Indies—anything which places you in an unfavourable position?—Yes; the requirements are, at a period of the year, so far as Cape Breton is concerned, when we cannot ship owing to the ice. The time is from January to April, and we cannot ship then.

Q. Does that apply to Pictou?—Yes.

Q. Practically, then, there are climatic difficulties in the way of carrying on a West Indian trade?—Yes.

Q. Would that apply to any other countries?—It applies to any requiring shipments at that time.

Q. Would coals require to be shipped at that time, say for the South American market?—No, I don't think so.

Q. Have you shipped to Australia?—No.

Q. Practically, then, there has been no large effort made to obtain a foreign market other than the United States?—No, there has not.

Q. And you do not see any opening in that direction?—No, we do not.

Q. Was not coal very dear in England in 1871?—In 1873 I believe it was very high.

Q. But it did not become dear all at once. Was not there a gradual increase?—1873 was the year, I think, in which there was really a great increase.

Q. What was the price of English coal at that period?—It was enormously high; thirty to forty shillings a ton in some cases.

Q. That would be in our currency, about \$7 to \$10?—Yes. I should say at one period it was even more than that.

Q. Did that interfere largely with the English export of coal?—No. We had a better demand too. There seemed to be a demand of their own at that time. Our sales were good that year.

Q. What was your price for coal in that year?—\$2.75 was, I think, the outside price.

Q. Were your expenses at that time largely increased?—Yes, by having to increase the miners' wages.

Q. What percentage of increase was that?—From 12½ to 15 or 20 per cent., varying with different grades.

Q. What would have been the average increase of the total working expenses of the mine at that period?—That I cannot say.

Q. Approximately?—I think it would be 15 per cent. at least.

Q. What was your production at that time?—About 160,000 tons.

Q. The same as at present?—Yes, about the same.

Q. Was the price you refer to, the ordinary price of Nova Scotia coal at that period?—I believe there was coal sold at a less price.

Q. Give us an idea of the average price of Nova Scotia and Cape Breton coal in that year?—I don't remember what our mines were selling it at so as to arrive at an average.

Q. Would it be safe to say \$2.50?—I think that would be an extreme figure.

Q. What was the total production in that year, I mean in 1873?—881,106 tons was the amount of the sales.

Q. The price at that time was considerably higher than you would quote it now?—Yes.

If by such an arrangement as was suggested yesterday, you could now obtain a similar production to that of 1873, could you produce coal at the rate you mentioned, about \$1.50?—I don't think the Sydney coal could be reduced.

Q. You spoke before of the price now being about \$1.50, but that you were not working up to the extent to make a profit, and you mentioned yesterday that what you needed was a larger production in order to economise the general production. Supposing that production were raised to nearly a million tons per annum, would you regard the working as profitable at the rate of \$1.50?—Some mines might be; others would not.

Q. I am speaking of such mines as are supposed to be in a healthy condition, and worked at their average rate?—There are some that can be more cheaply worked than others. If they were in full operation they could.

Q. In 1873 you had rather good times?—Yes.

Q. Paid good dividends?—Yes.

Q. You expressed an opinion in answer to Dr. Tupper yesterday, that a bounty on foreign exports of seventy-five cents per ton or a duty of fifty cents on American coal would enable you largely to increase the production?—Yes.

Q. Have you formed any estimate as to the extent of such probable production?—No, I have not.

- Q. This matter has been largely discussed among you lately?—Yes.
- Q. Are you one of those who petitioned lately for a duty or bounty?—Yes.
- Q. Was no estimate laid before you as to the probable results of such a duty?—Not any further than that it would increase our sales largely.
- Q. What would you assume, having regard for the present demand, would be added to your market by such an arrangement?—I think it would likely increase our sales by one half.
- Q. What are the average sales at the present time—their marketable production?—The productions of coal last year was 709,646 tons.
- Q. For all the mines in Nova Scotia?—Yes.
- Q. That would be the quantity shipped to market?—The actual sales were 644,000.
- Q. You speak of their actual sales as distinguished from the production. What intervenes?—The slack coal which is taken out in preparing the coal for market.
- Q. That would be 65,000 tons of slack?—Yes, slack and impurities.
- Q. You have a market for that?—No, we have not. Well, within the last year or two we have sent a good deal to the States—some 12,000 or 14,000 tons last year. In one locality, too, it is utilized for the making of coke.
- Q. But it is largely waste?—Yes.
- Q. And need not enter very much into our calculations of financial or fiscal arrangements?—No.
- Q. You say that, in your opinion, if you were protected by a duty, you might increase your sales by 50 per cent?—That is on the first year's operations.
- Q. I am speaking of our present demand for coal in Canada and elsewhere?—Our production would be much greater. We could produce a much larger quantity, and the probability is that our sales would be increased to that extent.
- Q. What do you suppose, amongst yourselves, would be the result financially to you of a duty being imposed; you say it would increase your sales 50 per cent?—Yes.
- Q. That would raise the out-put of coal for commercial purposes to something like 900,000 or 1,000,000 tons, or about what you were producing in 1873?—Yes.
- Q. If you had that production do you think you would be able to sell coal at an average of \$1.50 on large sales of first-class quality?—Yes; I fancy we could.
- Q. But when you had that production in 1873, prices ranged from \$2.25 to \$2.75?—Yes.
- Q. Do you think if you had at that time sold coal at from \$1.50 to \$2.00; you would have been able to retain the American market?—Probably there was some little indiscretion and putting prices too high, but I don't think that affected our prices and the American market. The prices were reduced the next year to \$2.25, and for gas coals down to \$1.75 and \$2.
- Q. But was not the period I speak of one when prices were high and production large, and one in which you began to feel most intensely the American competition?—No; we did not feel it then. There was a very general demand for coal in that year.
- Q. But did not the Americans begin to bring a larger quantity of coal into the eastern markets?—Yes; they did at that time.
- Q. Did they undersell you there?—The position was, I think, much the same as now, relatively. All coal was dear at that time.
- Q. What were the prices at that period?—Between \$5 and \$6 I think. That was in 1874.
- Q. What would be the cost of shipping at that time?—About \$2.25 or \$2.50.
- Q. Were not the shipping rates very much higher than in 1873?—Yes, in 1873 they were more; I thought you were speaking of 1874.
- Q. Do you understand that the rates were very high in 1873?—Yes, I believe they were.
- Q. What were they?—I think they were \$4 and upwards.
- Q. The duty was seventy-five cents?—Yes.

By Mr. Power :—

Q. Was the rate \$4 per ton from Sidney to the United States?—Yes.

By Mr. Flynn :—

Q. To New York or Boston?—Boston.

By Mr. Dymond :—

Q. The effect, then, of the increased demand for coal that year which resulted partially, at least, from English competition being excluded, was that there was a considerable raise in prices?—Yes.

Q. In speaking of the duty of fifty cents, do you refer to the duty on all coal imported into Canada?—Yes.

Q. Is not the importation of English coal a considerable advantage to shippers?—I do not see how the advantage could be derived particularly.

Q. Don't they bring out the coal at a low rate as ballast?—Yes.

Q. If they don't bring coal they would be obliged to bring other ballast?—Yes.

Q. You take into account in your calculations of the increased production in consequence of the duty, that you would obtain command of the Canadian market. What portion of that market do you assume that you would obtain by that means?—The idea is, all east of Toronto.

Q. Have you made any calculations since you were before the Committee yesterday as to the rates at which coal could be laid down at Toronto, from Sidney or Pictou?—Yes.

Q. Can you state the one to us?—I would like, at the same time, to refer to what I said before the Committee on the Depression of Trade last year. I then named \$6 as the amount. I took the price of the coal at \$2, freight to Montreal \$1.50 and from Montreal to Toronto, \$1.50. Taking into account insurance and other charges, I reckoned the amount to be \$6. I have revised that calculation and brought the amount down to \$4.83.

Q. Can you give us the estimate showing how that is made up?—I believe that contracts for the carriage of coal from the mines to Toronto can now be had at from \$2.50 to \$3.00 per ton.

Q. Is that an unusually low rate in consequence of the depressed state of the carrying trade?—Well, it is dealing with matters as they stand at present. I should think it a reasonable rate.

Q. Does that include insurance?—That would be a little to add, but it does not amount to much.

Q. Would \$3.00 cover the whole charge?—Yes.

Q. What would be the insurance per ton?—About two cents.

Q. Do you know of contracts having been actually taken?—No, I do not.

Q. They have been offered?—Yes.

Q. Speaking as a man of business, and giving an independent opinion, do you think they have been offered by persons who would be able to carry out engagements for a considerable period?—Yes.

Q. Have freights been offered for a long period?—For the ensuing season.

Q. By substantial persons who could be held to their bargain?—Yes.

Q. And first class coal could be put on board for \$1.50?—Yes.

Q. Have you had any communication with agents or buyers in Toronto to lead you to judge what prices could be commanded there?—No.

Q. You were there last year?—Yes.

Q. What opinion did you form from interviews you had?—The opinion I got was that they would take it at the price I have quoted.

Q. I observe that at the Board of Trade meeting in Toronto, there were some remarks made detrimental to the character of your coal. Did you find from conversation with dealers in Toronto that there was an objection to Nova Scotia coal?—No, they rather preferred it.

Q. There were several shipments in 1869?—There were a few, I believe.

Q. Mr. Chisholm brought it in a vessel called "Her Majesty"?—Yes, I think so, but Mr. Noonan can give you some information on that. The feeling in Toronto, as

I learned by conversation with those directly dealing in the trade, was that they would like to have Nova Scotia coal.

Q. You did not find from past experience that there was a prejudice against it?—
No.

Q. Did you read what was said the other day in the Board of Trade?—Yes.

Q. Can you give any explanation that would be an answer to that allegation?—
Yes. I suppose the coal taken up was from a mine newly opened, and the operations were not extensive, and the coal was not taken from very far from the surface. I may say this. You enter the seams by a slope and for some distance the surface of the coal is affected by the percolation of water and clayey matters, which injures the coal. I believe also that the purchaser made a special request that a cheap class of coal might be sent. I suppose they might have supplied better coal had he wanted it, but he wished for a low-priced article and an inferior quality of coal was given him.

Q. Then your explanation is that the sample sent was not a fair sample of Pictou coal?—Yes. It was not by any means a fair sample.

Q. Do you know what was charged?—No.

Q. You know where it came from?—No; Mr. Noonan could speak as to that.

Q. Do you know of any shipments of coal since 1870?—I have no knowledge of any.

Q. The imposition of a duty in 1870 did not, so far as you are aware, lead to any coal being shipped to Toronto?—No. I am not aware that it did.

Q. Do you think any effort was made by the owners of mines in Nova Scotia and Cape Breton, in that year, to obtain a Canadian market for their coal?—I am not aware of any particular effort being made in that direction.

Q. You have heard the resolution forwarded to us by the Hamilton Board of Trade, and, probably, you have read a similar one by the Toronto Board of Trade. They suggest a duty on bituminous or home-raised coal, coupled with a duty on breadstuffs and all manufactured articles.—

Mr. Tupper remarked that it would be better to read the resolutions. The Chairman read the resolutions as follows:—

From the Hamilton Board of Trade:

“That this Board objects to a customs duty upon the importation of coal simply by itself; but in a revision of the tariff in the interest of the general industries of the country this Board would approve of a customs duty upon such coal as is produced in the Dominion.”

From the Toronto Board of Trade:

“That this Board objects to a customs impost upon the importation of coal simply by itself; but in a revision of the tariff in the interest of the general industries of the country, this Board would approve of a customs duty upon such kinds of coals as are produced in the Dominion.”

By Mr. Dymond:—

Q. Would you, from your knowledge of the opinions of persons interested in the coal industry, be satisfied with that arrangement?—No; I don't think that would meet our requirements.

Q. That is to say, if there were a twenty-five per cent. instead of a 17½ per cent. tariff on the unenumerated list, and a small duty on breadstuffs and home products, and a duty of fifty cents on bituminous coal, it would not be satisfactory?—No, I think not; we have to compete with the anthracite; therefore, we should like a duty on anthracite too.

Q. Are you aware of the extent to which anthracite coal is used in Canada generally?—I know it is largely used.

Q. By a return lately brought down of the anthracite coal used, it appears the amount is 294,394 tons against 324,176 of bituminous, that is for six months; I think

the whole importations of coal for 1875-6 were 793,136 tons. That would show, I presume, that our shipments of coal are mostly received in western Canada during the last six months in the year?—I do not quite understand you. Do you mean that your importations from the United States have been 793,000?

Q. No; that is the total importations into Canada; but I find for the six months ending 31st December, 1876, the importations was, as stated, about 600,000; that would indicate that the bulk of the coal is imported during the last six months of the year?—Yes.

Q. So that if we take the six months of 1875-6 we will get an approximate estimate of the year's importations?—Yes; I should say so.

Q. And of that 294,000 odd is anthracite, or nearly half?—Yes.

Q. That would give to Ontario a consumption of about 250,000 tons of bituminous coal?—Yes.

Q. Of that 250,000 tons, then, you think it possible to command a market with fifty cents duty, as far West as Toronto?—Yes.

Q. In other words, about two-thirds of the whole amount?—Yes.

Q. You are of opinion that nothing less than a duty of fifty cents on all the coal imported would give you command of the Ontario market?—I think so.

Q. But if there were to be an increase of $7\frac{1}{2}$ per cent., say, on the tariff of $17\frac{1}{2}$ per cent., and a tariff of five per cent. imposed on other goods, would you consider that arrangement an advantage or a disadvantage?

Mr. TUPPER objected to the question. After some discussion, The CHAIRMAN ruled that the question could be put.

Mr. DYMOND said he would waive his right to ask the question.

By Mr. Tupper:—

Q. I would like to ask if I correctly understood you to say that the imposition of a duty on all the bituminous coal brought into this country would be of no value unless one were imposed on anthracite coal?—It would not be of itself.

Q. Even with the large tonnage imported into this country during the six months of the year; would that be of no value?—Of course it would be, so far as the importation of bituminous coal is concerned. It would assist us in this locality.

Q. Would it be for the interest of the coal interest of Nova Scotia?—Yes.

By Mr. Power:—

Q. Would it enable you to send the coal away; would it increase the quantity?—Yes. I think it would.

By Mr. Tupper:—

Q. Then, I understand you to say that though it would not be of great value alone, it would be an advantage to the coal interest of Nova Scotia?—Yes.

Q. Was not this drawback in relation to the competition that took place in Boston confined to the bituminous coal that came into competition with ours?—Entirely, in the case of that coal.

Q. In 1873, while the average of freight to Boston was \$3.17, in 1874 it fell to only \$1.50. I suppose that is the reason?—Yes.

Q. In 1873, the average cost of all coal for the year was \$4.84 at Baltimore. The cost of transporting freight to Boston was \$3.17, and the average price, delivered in Boston, \$8 per ton, you having been able to compete; while in 1874 the average price was \$4.50, freight fell from \$3.17 to \$1.50, and the price, delivered in Boston, was \$6?—Yes.

Q. Was there not, immediately after the imposition of a duty on coal, a largely increased production of coal in Nova Scotia. It was put on in 1870. It would take a year to show any result. Was not there a large increase in the export of Nova Scotia coal to the old Province of Canada in 1871?—I believe there was, but I have not the figures.

Q. You stated that there were about 600 men engaged in the coal mines with which you are connected. State approximately what number of souls that would represent, including the families of, and those dependent upon, these 600 men?—The 600 includes men and boys.

Q. How many persons would be embraced in the families connected with these 600 people?—I think between 2,000 and 3,000.

By Mr. Dymond:—

Q. You say that in 1874 freights fell heavily between Baltimore and Boston?—Yes.

Q. You stated that it was owing to the allowance of a drawback in favour of coal from Baltimore to Boston?—Yes.

Q. Do you know of your own knowledge that it was owing to that cause?—No, I do not, but that is my idea.

Q. You have no knowledge of the fact?—That is the opinion I have formed from reading the American papers. I have no direct personal acquaintance with the matter.

Q. When was the drawback allowed?—I think it has existed for the last two or three years.

Q. Do you know if it existed in 1874?—No. I cannot speak positively as to that.

Q. You cannot say positively, even from second-hand information, from papers or otherwise, that it existed in 1874?—No.

Q. Was there not a great fall in freight generally in the United States in 1874?—Yes.

Q. You say there was a large increase in the exportation of coal to the old Province of Canada in 1871?—Yes.

Q. There was no duty, I think, in 1871?—No.

By Mr. Tupper:—

Q. Was not there an increase in 1870 as well as in 1871?—Well, I don't recollect.

Q. The contracts for the delivery of coal would probably be made, would they not, before the time; the duty was taken off in the season of 1871; the contracts for that summer would be taken before that?—Yes. It is usual to make the contracts early in the year—February or March.

By Mr. Dymond:—

Q. Do you know of any contracts having been made in 1870 for shipments to the older Provinces under these circumstances?—No, I do not.

Q. Then, what you stated was purely hypothetical. Contracts undoubtedly would be made in advance of the shipments, but do you know of any shipments having been made?—No, I do not; but I believe there were some.

Q. In 1871 the price began to rise considerably in England, did it not?—Yes.

Q. Then, in fact, you were relieved to a certain extent from English competition in that year by the rise in the price of English coal?—Yes, to some extent.

Q. Is it not in Quebec that your competition with English coal is most severe?—Yes.

Q. We have no English coal to any extent in Ontario?—No, I believe not.

Q. So, that large increase in 1871 may have been attributable to the increased price of English coal. The increased consumption of Nova Scotia coal in Quebec might have been owing to that, might it not?—It might have been affected by that.

By Mr. Tupper:—

Q. Are you aware of the fact that during the year 1870 while the duty of fifty cents per ton was in operation that the price of coal was unusually low in Montreal and Quebec; that although there was a much larger exportation of Nova Scotia coal to Quebec and Montreal the price was not increased?—No, I do not know. I was not directly connected with mining operations at that time.

By the Chairman:—

Q. The imposition of a duty of fifty cents on foreign coal would, you say, greatly benefit the coal mines of Nova Scotia?—Yes.

Q. Would that benefit accrue to some extent to the Province of Ontario, that is would not the trade in coals with the Province of Ontario be an advantage to the latter?—Yes, by the steady employment that would be given to workmen in connection with the trade.

tion with the mines, the number would be largely increased, and there would consequently be an increase in the articles consumed by them.

Q. You say that the imposition of a duty of 50 cents per ton would enable Nova Scotia to secure a large portion of the coal trade of Ontario. That coal would require to be sent by steamers and sailing vessels. Those vessels would require a return freight, and the increase in the coal trade would require a much larger amount of manufactures and agricultural products to be consumed?—Yes.

Q. And inasmuch as the vessels would bring up the coal of Nova Scotia, they would require to bring back something as return freight?—Yes.

Q. Would the trade, therefore, be of any service to the Province of Ontario?—I should certainly think it would.

Q. In what way?—If our prices were increased and the mines fully employed at work, there would be a large increase in the population, and, of course, the wants of the people would also be increased. Ontario would certainly participate largely in the supply of those wants, and in that way the extension of the coal trade would be a benefit to that Province.

By Mr. Power :—

Q. Would a drawback of 75 cents per ton or a duty of 50 cents be of most benefit to the coal interests?—A duty of 50 cents on all coal would benefit us most. A duty on all coal would enable us to come in here as well as the United States. It would help us in that way.

By Mr. Macdonald (Toronto) :—

Q. You have stated that the price of freight to Toronto and insurance would be \$3. How much in addition would the prices of tolls be?—The tolls are taken off, I think. The figures I have named would include every charge.

By Mr. Dymond :—

Q. Are you aware of any contracts having been invited for Ottawa by the Government for Nova Scotian coal?—Yes.

Q. Do you know what the amount of the tender was for the coal laid down?—\$5 and some cents I believe. We only know from the Premier himself with whom we had an interview this morning. He named the exact figure but I have forgotten it.

By Mr. Sinclair :—

Q. You stated that the price was \$4.90 at Boston; was that the short ton?—That, I believe was the long ton.

Q. Did they sell by the long ton in Boston?—I understand that certain districts sell by one; others by the other.

MONDAY, March 26.

Mr. ROBT. BELLONI called and examined.

By the Chairman :—

Q. You are a citizen of the United States?—Yes.

Q. You are interested in the Cow Bay, C.B., coal mining property?—Yes.

Q. Is it a large colliery?—Yes.

Q. You are part owner?—Yes.

Q. And manager?—Yes.

Q. You have been so for how many years?—For seventeen years.

Q. Are you pretty well acquainted with the coal trade of Nova Scotia?—Yes.

Q. And are familiar also with the coal trade of the United States?—Yes.

Q. What are your coals peculiarly adapted for?—Our coals are peculiarly adapted for gas purposes, but are largely used for steam and other purposes

Q. Still they have a high reputation as a gas coal?—Yes.

Q. Which of the coal fields of the United States are you acquainted with?—With all of them, more or less, and with those of England as well. I might say that I am more familiar with the coal operations of the United States, from having been engaged in the anthracite coal trade before going to Nova Scotia.

Q. The coal fields of the Province of Nova Scotia are of different qualities?—
Yes, they are of different qualities, though all possess more or less the same general characteristics.

Q. But are they specially adapted for particular purposes?—Yes.

Q. That is, some of them are adapted for particular uses?—Yes.

Q. How do they compare with the bituminous coals of the United States?—
They are equally as good.

Q. Are they in some instances superior?—No, I think not.

Q. Have they, or have they not, some grades or qualities in the United States—
I mean of bituminous coal—inferior to those of Nova Scotia?—Yes; I think they have; I speak now of first-class coals.

Q. But still there are grades of coal in the United States which are inferior in quality to the better class coals of Nova Scotia?—Yes.

Q. Does the duty of seventy-five cents per ton hamper your operations in the United States?—Very seriously.

Q. What were your shipments last year?—About 34,000 tons.

Q. That is from your mine?—Yes.

Q. In case the duty was removed, what would you calculate your shipments to be?—They would run up to 100,000 tons, which they were before the abrogation of the treaty.

Q. Have your coal operations for the last few years been paying you large dividends?—No dividends whatever.

Q. Then I presume you are simply holding on waiting for better times?—Yes.

Q. Do you know anything about the drawback, or rebate, that is given on coals that are shipped from Baltimore to the Eastern States?—Yes, there is a drawback allowed on coal shipped to the Eastern market. It is shipped by the Pennsylvania Railway.

Q. Is there any rebate or allowance there?—Yes.

Q. What is its nature?—In all contracts made by the Pennsylvania Railway Company—the shipments made by the Pennsylvania and Westmoreland Coal Company from Pittsburgh—the practice has been to allow them to go to New York and the Eastern markets, and then the cost of transportation by rail is made by the railroad companies afterwards. This is done in order to give them control of these markets.

Q. As against whom?—Against the Nova Scotian operators. It has been stated by the President of the Company, Mr. Scott, that it was in his power to ruin coal operations in Nova Scotia. The rebate of seventy-five cents per ton was allowed on all coals shipped east of New Haven, Connecticut, thereby placing the Eastern markets at a lower cost on coals than that of New York. That system had the effect of wiping out the shipments made last year to the Eastern States from Nova Scotia.

Q. You mean assisted by the seventy-five cents?—Yes. The only shipments made to the Eastern States were owing to personal influence, the amount of tonnage was not more than 10,000 tons. I am speaking of the shipments eastward last year.

Q. That is to the port of Boston?—Yes.

Q. Do you know anything of the operations of the system between Baltimore and the Eastern ports?—The Baltimore and Ohio Railway Company didn't charge the cost of transportation to enable those companies shipping over the road to compete.

By Mr. Dymond:—

Q. There is a rebate of —?—There is a rebate made on certain classes of coal.

Q. That is bituminous coal?—Yes.

Q. What is the object of that rebate?—To compete with other markets in the world, more especially those of Nova Scotia, because that is really the only country brought into competition.

Q. And Great Britain also?—Yes, but especially Nova Scotia.

By the Chairman :—

Q. What special advantages have the collieries of Nova Scotia over those of the United States?—Their close proximity to tide-water.

What remedy would you suggest, or what remedy would you have in your mind with respect to the improvement of the coal trade of Nova Scotia?—I would suggest the building up of the coal trade of Nova Scotia by a duty equal to that of the United States, thus placing the Nova Scotia trade in the same position as coal shipped from Baltimore and other ports and places.

Q. The effect of that you say would be to raise the shipments some 300 per cent?—Yes.

By Mr. Dymond :—

Q. You give that merely as your opinion?—Yes. I feel convinced that any system of that kind would throw open the markets, and enable the coal trade of Nova Scotia to increase very materially.

By the Chairman :—

Q. Can you say as to whether it would not have any effect upon the existing duty upon coals exported from Nova Scotia to the United States. Would not it be likely to have an effect upon that policy?—It would.

Q. In what respect?—It would have the effect of increasing the shipments of coal from Nova Scotia, and consequently of increasing the profits of the Company.

Q. That is not what I mean. Do you know what influences, if any, were brought to bear to procure the imposition of the duty of 75 cents per ton on imported coals in the United States?—Influences from Pennsylvania, Judge Kelly of Pennsylvania, and others that represent that interest.

Q. You mean the influence of the Pennsylvania coal mining proprietors?—Yes, together with those of Maryland.

Q. That influence was such as to induce the imposition of a duty?—Yes.

Q. Do you think that the imposition of a similar duty on coals coming from Pennsylvania and other portions of the United States into the Dominion would in any way affect the views or efforts of the Pennsylvania coal mining proprietors in that direction?—Yes. The effect would be that the United States Government would remove their duty.

Q. Have you any special reason for thinking so?—Yes, because it would interfere very materially with the shipments made at Cleveland and that vicinity, as well as the shipments of anthracite coal into the Canadian market.

Q. Have you any other reason for coming to that conclusion—any conversations with those interested?—Yes, the reason that there is a great depression in the anthracite coal trade of the United States, and the tonnage of the Delaware, Lackawana and Western Railway Coal Company, and the Delaware and Hudson and Pennsylvania Company. It would open up the Canadian market to the introduction of American coals. I know it is the intention of these two companies to place a large amount of anthracite coal on the Halifax market, if they can do so at such a rate as to save themselves from absolute loss.

Q. Does the tariff as it stands affect the coal mining interests in any exceptional way?—Yes, so far as the tax upon the articles they use in mining operations is concerned.

By Mr. Dymond :—

Q. What is the average percentage of taxation on those articles?—The average would be probably 12½ per cent. The average would be a matter of calculation; you would have to equate the different rates. I should think it would be an average of about 12½ per cent.

Q. The coal trade in Nova Scotia labours under an export duty of 10 cents per ton?—Yes, it is seriously affected by that. It was an arrangement made by the Nova Scotia Government before Confederation. As at present imposed it is a tax, as it is just the difference between a loss and a slight profit on present operations.

Q. What I gather is this: You ship, you say, 30,000 tons; that would be \$3,000

royalty. If you had that amount it would be just so much profit?—It would save us from being put to actual loss.

Q. Your expenditure is about equal to the sum you receive, and if you had that amount it would be so much to your profit?—Yes.

Q. Was not the effect of the demand for coal in 1873 that a large influx of mining population took place into Cape Breton?—No, I think not.

Q. Are you conversant with Mr. Poole's report for 1875?—Yes.

Q. He makes a statement to that effect. He says: "The continual decline in the production of coal in this country has been a source of much suffering to the mining population, and it is greatly to be feared that, unless a change for the better soon takes place in the trade, numbers of the men usually engaged about the mines will have to seek elsewhere for work, and in new occupations find employment." I should infer from this that there had been a great influx of miners. Do you agree with that?—Yes; but you put a different question.

Q. I asked if it led to an influx of population?—Yes, it may have brought some to the immediate vicinity, but not to any great extent.

Q. Well, I will put the question in this shape: Did the additional demand for labour in 1873 cause an increase?—Yes, a very slight increase only.

Q. Then the present depression is not greatly enhanced by that fact?—Yes, so far as those immediately identified with the mining interests are concerned.

Q. And they are not very numerous?—Well, the effect was to make the depression a still greater hardship. Last year, the men in the collieries were almost starving; so much so that the Nova Scotian Government had to come to their relief to the extent of \$4,000 or \$5,000. I am speaking of some of the Cape Breton collieries.

Q. The point I want to ascertain is: whether or not the present distress was enhanced by the effects of the increased influx in 1873?—I don't think it was.

Q. The West Indian trade has fallen off too as well as that of the United States?—We never controlled that trade to any extent. It has not fallen off, but it was increased in 1873, owing to the high prices in England.

Q. Is it not a fact that the trade with the West Indies fell off as much as 48,000 tons on a business of 138,000?—It may be, but it was all owing to the decline after the high prices that existed in England, in 1873.

Q. But the West Indian trade in Nova Scotia coal would not fall off in consequence of English coal being dear?—No, it would increase.

Q. Then you mean that there had previously been a considerable increase, and that a reaction followed?—Yes. The trade with the West Indies only increased by the increased cost of coal from England. When English coal fell, the shipments from Nova Scotia fell off, as the English dealers were unable to compete.

Q. Has your trade been unfavourably affected by carelessness in the shipping of the coal?—No.

Q. I find that in the Inspector's Report the following statements are made: "The coal producer should not forget that in the preparation of his raw product for the markets abroad, he has still left him much more for improvement. That coal be shipped large and dry is essential to the good condition of a cargo on arrival after a long voyage. The dropping it down twenty or thirty feet into vessels, shipping it in all weathers, and frequent shovellings are not conducive to the good quality of ordinary coal. The deterioration of small and wet coal from heating in the confinement of a heap, or in a semi-closed vessel is very much greater than is generally imagined by miners and shippers. Gas manufacturers, however, know it to their cost?"—The same state of affairs existed in England.

Q. The question is hardly whether it existed in England, but do you agree with the necessity for this caution on the part of the inspector?—No, I don't; I speak of the mines I have seen.

Q. Is it not a fact that, notwithstanding the increased competition of American coal, your trade in the British North American Provinces has been largely increased during the past few years?—So far as Quebec and Montreal are concerned there has been a slight increase.

Q. Of course there are Prince Edward Island and Newfoundland?—That market has always been controlled by Nova Scotia shipments.

Q. In 1871 the shipments to the British North American Provinces are stated to have been 168,577 tons; and in 1875, 381,711?—Probably those are the figures representing the actual consumption of coal in those Provinces.

Q. Is it not a fact that when the duty was \$1.25 the exportation of coal to the United States was actually larger than since the reduction to seventy-five cents?—Yes.

Q. Can you explain that fact?—I explain it by the system adopted by many of the companies in the United States, together with Mr. Scott keeping the Pennsylvania Railway. Their whole policy for the last five years had been to control the markets by their system of drawbacks and rebates. Our trade with these markets has been wiped away by this system.

Q. There has been an enormous development of the coal mining and railway interests there during that time?—Yes.

Q. Do you attribute this to the largely increased competition there?—No, but to the system of drawbacks on the railways.

Q. But has not this system of drawbacks and rebates been caused by the competition among themselves?—No; they were determined to take these markets and they could only get hold of them by a system of this kind, as at present they hold coal higher in Philadelphia than in New York and the Eastern markets. Their object is to control the markets of the Eastern States. Coal was seventy-five cents higher in Philadelphia than in the Eastern States.

Q. Can you tell us the distance the coal is carried by their railways?—Pittsburg is 300 and odd miles from Philadelphia, and Philadelphia is 80 odd miles from New York; the total distance is over 400 miles.

Q. What is the distance to Boston?—That is by water. Shipments are made by Elizabeth Port.

Q. What is the distance from your mines to Boston, by water?—About 500 miles.

Q. I see it has been stated by authorities quoted in Poole's Report that American coal has been preferred in Boston to Nova Scotia coal for gas purposes?—It has not been preferred, and I speak from what I know. The Pennsylvania and Ohio coal is 10,000 cubic feet to the ton; ours is about the same. The illuminating power of theirs is about 16 candles gas; Cape Breton coal is 16. There is a little increase of sulphur in the best coal from Cape Breton over that from Pennsylvania. The coke of the Nova Scotia coal is much stronger, and a larger yield than the Pennsylvania coal. Cape Breton coal is 43 bushels to the ton, while that of Pennsylvania is 38. The reason why the Cape Breton coal is preferred is because the coke is much stronger, though of course there is the slight drawback that it contains more sulphur.

Q. There is a little impurity, you say, in the shape of sulphur, but that is compensated for by its being a better coke-producing quality of coal; that is what you imply?—Yes; there are always more or less slight differences.

Q. I see Mr. Poole estimates that some sales made in New York in 1875 would not realize \$1.75 American currency on the coal at the Pictou or Cape Breton Mines?—That was a scale made; \$1.75 free on board.

Q. Was that a paying rate?—No; it was too small a contract to make it pay.

Q. You heard Mr. Rutherford's evidence on Saturday; what is your opinion as to the rate at which you can supply Nova Scotia coal, first-class quality, in bulk?—That would depend on the tonnage. If we had a large tonnage at \$1.75 we could make some profit, and at \$2.25 that profit would, of course, be considerably increased. Of course a small colliery could not make the same *pro rata* profit as a large one.

Q. What would be the price at which you could make a fair profit, assuming that your colliery were making a fair average yield?—At a yield say of 150,000 tons, \$2 on board would be a fair compensation.

Q. You could not hold out a prospect even at the production you have named, of

selling your coal for a less price on board than \$2?—I mentioned before that the price of \$1.75 free on board was not a profitable one.

Q. Did not the Nova Scotia coal owners attempt to combine for the general interests of the trade in September, 1875?—No, I never knew of any such combination.

Q. Didn't they hold a meeting at Stellarton?—Not for the purpose of combining, but merely to consider what was best to be done for the improvement of the trade, either the imposition of a duty on coal or a drawback.

Q. Perhaps if I used the term co-operation you would understand me better?—Yes; that is a more appropriate name.

Q. What were the prices of coal at the time of this meeting?—Much the same as they are to-day.

Q. \$1.75 to \$2 for large shipments?—Well, \$1.75 to \$2.25 for large shipments.

Q. Did the coal owners come to a decision on the subject?—No.

Q. Didn't they decide to use political influence so far as possible on their own behalf?—Not that I heard of.

Q. Do you know that Mr. Poole states as much in his report?—Then, I don't think he is correct.

Q. You don't know of an association existing for the purpose of regulating prices and obtaining a change in the tariff?—There is an association composed of coal owners nominally, but there is no organization, and whatever of the kind does exist, is to try and get an increased duty on coal, or a relief of some kind or other.

Q. Will you describe the form that relief might take as suggested by them?—Nothing has been done to carry out the matter.

Q. Then you speak rather of the sentiment or feeling prevailing than of any active steps that have been taken?—Yes. I know of no decision having been come to.

Q. You speak of ten cents per ton being a heavy tax upon coal owners?—Yes.

Q. It is a royalty, is it not?—Yes.

Q. In other words a rental?—It may be so considered.

Q. The lands are held in fee simple by the Crown, are they not?—No. The lands are held by proprietors, and the mining rights by the Crown. The Crown right is to the mine, not to the soil.

Q. Then the present proprietors had to purchase the land from private individuals?—Only so far as a sufficient amount to erect buildings, &c., is concerned.

Q. In whom is the land vested?—In fee simple by particular owners.

Q. Does the charge for the lands required amount to any serious burden on the capital?—It does sometimes.

Q. Can you give us an illustration; this is a public matter, is it not?—It is provided in the Mining Act that in case there is any disagreement as to terms, arbitrators may be called in, and if they cannot decide, it is brought before one of the Supreme Court Judges.

Q. You are not then at the mercy of the land speculators?—No.

Q. Can you give us an instance to illustrate the prices—the Cow Bay mine or some other?—Our land amounts to about 200 acres, and cost probably \$15,000.

Q. That was not a serious burden on capital?—No.

Q. Then this royalty may be regarded as a rental on the mining rights?—It is a charge on the shipments of coal.

Q. It, in effect, represents the timber licenses or stumpage charged in the Western Province?—Yes.

Q. I suppose from what you have said that the coal proprietors did not agree to adopt a general system of management by which the expenses could be reduced?—We did in Pictou and Cape Breton.

Q. Do you consider an arrangement of that kind practicable?—The result has proved that it is not.

Q. Is it a fact that from local jealousy and competition there has been an unnecessary expenditure of capital, and that the expenses have been altogether disproportionate to the requirements of the mines?—I think not.

Q. It is so stated in Mr. Poole's report. He says: "Looking back at the history of previous mining operations, we see the want of much accord in the unnecessary expenditure of capital. The waste being dictated by a jealous spirit that hoped, yet without any ground for belief, to try by exclusion to prevent competition. We see it in the railways seven miles long, running side by side to the middle river of Pictou, in the two branches from Westville to the main line at Stellarton, three and a half miles long, in the two railways running together for ten miles, from the out-mines to Sydney harbour, in the two artificial harbours at Glace Bay, and in the two breakwaters at Cow Bay—an unnecessary expenditure of at least a millions and a quarter dollars"—With regard to Cow Bay, there are not two breakwaters, so those statements, therefore, are not correct.

Q. There is only one?—Yes.

Q. Are you acquainted with the other districts?—Yes.

Q. Are those statements correct as to them?—No; I don't think they are. These parties, in building the railways, did it to save themselves. I know that they could not make arrangements with the railways.

Q. Whatever may have been the motive, the fact is that these works have been a burden on the capital of those companies?—No more than in the coal operations of other countries. You see the same thing in the United States.

Q. Are there not, so far as these mines are concerned, greater appliances than are necessary to carry on that business?—No, I think not. I endeavoured some years ago to form a combination among Nova Scotia coal dealers to ship over one road, but we couldn't come together. Of course there are differences of opinion with regard to the locations and shipping points.

Q. It was not on economic grounds that you were unable to make these arrangements but because you could not come together?—Yes, they acted to the best of their judgment at the time.

By Mr. Tupper:—

Q. I suppose some points of shipment would be convenient to both parties?—Yes.

By Mr. Dymond:—

Q. Are there climatic difficulties with regard to your coal trade with the West Indies, difficulties that do not exist with regard to the United States trade?—No.

Q. Can you ship to the United States from any port at all seasons?—No.

Q. So that when coal is brought over the United States Railways to New York they would have an advantage, not being able to deliver it all the year round?—Yes, but it is a very slight one. We are shipping to-day.

Q. But this is an unusually mild winter. How many seasons are your ports closed?—We can generally ship for ten months. They could not from Sidney or Pictou.

Q. Then your ports are closed for two or three months in the year?—Yes.

Q. Have any steps been taken by you to obtain an open port of shipment for the West Indies or elsewhere?—Yes; the line of railway to Onisburg is nearly built, and when it is completed they hope to be able to ship for twelve months in the year from that port, but the question is one yet to be decided.

Q. That would be for the Cape Breton trade?—Yes; to serve the companies there.

Q. Would the Pictou companies be able to avail themselves of Halifax?—Yes; but there is a large increase in the cost of transportation.

Q. But not more than the American companies have for bringing coal to Baltimore, from West Virginia. The distance you say is 300 miles. How far is it from Pictou to Halifax?—110 miles.

Q. The railway being under the contract of the Government between Pictou and Halifax—part of the Intercolonial system—it would be possible by favourable arrangements with the Government to overcome that difficulty?—If the cost of transportation was reduced, of course they would have so much advantage.

Q. What is the present cost of transportation?—I cannot say at present.

By Mr. Goudge :—

Q. The general rate is one cent per ton per mile, is it not?—That is the general rate I believe.

By Mr. Dymond :—

Q. You say you are acquainted with the American Companies. What would you say from your own experience was the price of bituminous coal at the pit's mouth, to these companies?—From ninety cents to one dollar per ton placed in the cars. In some cases it may be less.

Q. Then you start with the disadvantage that American coal costs one-half the price of Nova Scotia?—No; I say that they can do it at these figures, but there is no money in it.

Q. You named \$1.75 as your rate?—Well, to make it a profitable operation we should have \$2.00, unless on very large operations.

Q. What is the cause of American companies producing the coal at so much lower a rate than you are able to produce yours?—Because they turn out so much larger a quantity of coal.

By Mr. Tupper :—

Q. Are their facilities greater?—Yes, they are.

By Mr. Dymond :—

Q. So far as the mechanical difficulties are concerned they have the advantage over you?—Yes.

Q. Will you mention the yield of some particular mine in the United States?—The Penn and Westmoreland 300,000 to 400,000 tons each; they have two different mines. One is about 300,000 and the other about 400,000.

Q. That would be three times the amount which you regard as the full yield of your mines?—Yes.

Q. Do you know the working expenses of the American mines?—Yes.

Q. What are the average wages per month of working one of these mines, or both?—I should suppose that the average rate of the wages of miners would be \$1.75. In some places it would be more.

Q. Do you mean the wages of a coal cutter?—No, a collier.

Q. Do you know what they are actually paying per month wages?—No. I do not.

Q. Can you tell us approximately?—The earnings of a colliery in Pennsylvania?

Q. Will you tell us, please, how many men they employ?—Some may employ about 200 colliers.

Q. I am desirous of ascertaining if you have personal knowledge of any particular mine?—No; I only speak generally.

Q. Do you know what one of these men is supposed to produce in a day?—With us from 3½ to 4 tons per day.

Q. What do you pay per day to a collier?—About \$1.40.

Q. What rates of freight have you been able to obtain to Boston and New York?—Last year it was \$1.75; in some cases it was \$1.50, but that was unusual. These figures are for freight to Boston; to New York they are from \$3 to \$3.50.

Q. Have you made calculations as to the effect of a 75 cent duty on the delivery of coal in the Ontario market?—I think it would enable the coal miners of Nova Scotia to place their coal as far west as Toronto—not west of Toronto.

Q. Can you give us the figures showing your calculations?—We could put the coal on board at \$1.75; rate of freight to Toronto is, say \$2.50 to \$3; then I would take off 12½ per cent., being the difference between the long and the short ton.

Q. When you have been speaking of the price of coal hitherto you speak of the long ton?—Yes; 2,240 pounds.

Q. Have you freight contracts at the rate of \$2.50?—No; but I have heard that parties were willing to make them.

Q. What are the rates to Montreal?—\$1.90 to \$2 per ton.

Q. Do you think it possible to bring coal for less than \$3 from Cape Breton or Sidney to Toronto?—I cannot say as to that.

Q. And you think the imposition of a duty on coal would help you?—A duty placed on coal should be equal to the United States duty.

Q. Do you propose that it should be put on all coal?—If I understand it, the policy of the Government must be to put it on all coal if they put it on any.

Q. No Government can put a duty on any one article?—I would state this fact, that if a duty was imposed on all coal, it would open up certain channels for bituminous that now use anthracite; so I think it would be better to place it on all coal.

Q. It was suggested that a duty should be placed on bituminous alone. There is a difference in price, is there not?—Anthracite coal to-day in the New York market is lower than bituminous.

Q. But that is an abnormal condition of things, is it not?—Yes.

Q. Do you know what anthracite coal is selling at in Ontario or Montreal?—No, I cannot say. I think the anthracite would be much lower than the bituminous.

Q. Is it not a fact that for a large number of manufactures and other purposes, anthracite is a powerful competition on economic grounds with bituminous?—Yes.

Q. If we were to place a duty on bituminous and not on anthracite, would not that disadvantage bituminous coal by inducing a larger resort to anthracite?—It might have such an effect, but each kind of coal is used for certain purposes that would not be served by the other.

Q. Your suggestion was to put a duty on the whole of it?—I am now speaking of the benefits arising from it. I suggest this as a means of relief.

By Mr. Tupper :—

Q. Would you prefer to see a duty on the whole of it?—Yes.

By Mr. Dymond :—

But practically would not that be placing bituminous coal at a disadvantage?—No, I think not.

Q. From the evidence before us, the whole addition to the Nova Scotia coal trade, I mean of bituminous coal, would be 150,000 to 175,000 tons as between eastern and western Canada. Therefore any large importation of anthracite would reduce that to a small amount?—Yes.

Q. You heard the resolution read from the Hamilton Board of Trade, which suggested a readjustment of the tariff, which we understand to mean increased protection to our own manufactures as well as protection to coal?—Yes.

Q. Are you of opinion that if those two operations were included in one scheme, you would derive an advantage?—Yes, I think we would.

Q. If a duty were laid on breadstuffs and other necessaries of life?—No, I do not say that. My idea of the whole question of the tariff is that this Government should shape it as much as possible in accordance with the tariff of the United States, that is protecting these interests here. That is merely a question of judgment.

Q. That is to say imposing duties on imported manufactures similar to those imposed by the United States?—Yes. Of course I am speaking generally. With regard to this question of coal, the present arrangement gives the United States an immense leverage power over the coal operations of Nova Scotia. They have added to that power by combinations and arrangements with the railway companies in the United States.

By the Chairman :—

Q. I see by Mr. Poole's report that he states there has been an unnecessary expenditure of a large amount of money, which has been caused by injudicious competition in the way of building railways, running alongside of each other, when only one was needed. He refers to it as being in connection with Sidney Harbour. Do you know what railways are referred to?—I suppose the Cape Breton Railway *versus* the International.

Q. Do you consider those two could have blended into one?—They might have

done so; to some extent that is an open question to-day, though they might have amalgamated into one.

Q. Are not the shipping places something like a mile apart?—More than a mile.

Q. Is it not in connection with four or five collieries?—Yes.

Q. Do you consider that one line of railway would be sufficient to enable a large colliery like the International, and those companies like the Cape Breton Company, to ship over one line?—No, because the intention of the Cape Breton Company in building one road was to bring in other companies to ship over that road.

Q. Do you consider it a mistake on the part of the International Coal and Railway Company to build for themselves a line, and for the Emery and Reserve, and Cape Breton and Schooner Pond, to combine as one body, or should they all have gone in together?—Those operations were carried out at different times.

Q. But were their facilities sufficient?—No.

Q. If they had combined together and constructed one line of railway would there have been sufficient facilities?—No.

Q. Then that is the reason why they should build two lines of railway?—Yes, that is one reason.

Q. Is it not a fact also that the two collieries are some two miles apart, so that they would have had to construct two miles of line for the purpose of meeting?—Yes.

By Mr. Workman:—

Q. How much coal was shipped over these two lines during the year?—A very small amount owing to the great depression, and I may state one reason they did not make a great shipment was that they are both in a bankrupt condition. The bondholders of the International are now, I believe, about foreclosing. Both are engaged in litigation.

Q. Could one have done the work of both last year?—Yes.

By the Chairman:—

Q. Could they have done so, even this year, if they had been working to their ordinary extent?—No.

By Mr. Workman:—

Q. I understood you to say that one mine in the United States, producing 300,000 or 400,000 tons, was run by one railway; why could not one route have answered in Cape Breton?—There is no comparison; the Pennsylvania railway represents \$250,000,000 capital; the other is a mere local railway.

By Mr. Dymond:—

Q. In other words, the one in Cape Breton is mere mining plant?—Yes.

By the Chairman:—

Q. There is one company shipping over their line; is there not?—Yes.

Q. Was it satisfactory?—I don't think so.

Q. There is also mention made of two artificial harbours at Little Glace Bay. Is that a fact?—No, they are entirely distinct harbours.

Q. Are there two?—No, there is only one at this place, but there is one at Big Glace Bay.

Q. How far apart are they?—Three or four miles.

Q. Do you think then that this statement is justified by the facts, that there has been unnecessary expense in the construction of these harbours?—No, for one Company tried to make other arrangements and they could not.

By Mr. Tupper:—

Q. The International Company's Railway was built first?—Yes.

Q. The railway built by the Cape Breton Coal Mining Company is intended to do, not only their own work, but work for several other mines expected to be opened that could not have been otherwise accommodated?—Yes.

Q. You have stated to Mr. Dymond that you think that the imposition of a duty on coal, although accompanied by such a general readjustment of the tariff as to foster the general interests of the country, would foster the coal trade?—Yes.

Q. I wish to ask you whether, in your opinion, the coal mining industry would

not be benefitted by the imposition of a duty on coal even if accompanied by a duty on breadstuffs, provided the effect was to furnish cargoes both ways, and thus establish an inter-Provincial trade that otherwise would not exist?—Yes. The exchange of commodities must benefit both places to the extent of their shipments.

Q. The small duty would be compensated by the increased trade between the two Provinces?—Yes, I think so.

Q. What do you state was the amount of the drawback on the Pennsylvania Railway last year?—75 cents on all coal shipped east of New Haven, Connecticut.

Q. Was the rate ever \$1.30 per ton?—Yes, I believe it was. I am speaking now of what I have read.

Q. You spoke of a combination among the coal owners. You say there is no combination among them as to the price of producing coal?—No.

Q. It is simply a co-operation among those situated in the trade to induce Parliament to give such a duty on coal as would afford you increased protection from imported coal—such an amount of duty as would enable you to increase your production?—Yes, but even that organization has not taken any tangible shape.

Mr. TUPPER put in the following table, showing the volume of gas obtained from a ton of different kinds of coal, from page six of "The Coal Trade," written by Frederick E. Saward, editor of the *Coal Trade* journal:—

	Cubic Feet.
Boghead Cannel.....	13,334
Wigan Cannel.....	15,426
Cannel.....	15,000
Cape Breton.....	9,500
Cumberland.....	10,000
English (<i>mean</i>).....	11,000
Newcastle.....	10,000
Kilkenny.....	12,500
Oil and Grease.....	23,000
Pictou and Sydney.....	8,000
Pine Wood.....	11,000
Pittsburg Coal.....	9,520
Resin.....	15,600
Scotch Coal.....	15,000
Virginia Coal.....	8,963
Wallsend.....	12,000

By Mr. Power:—

Q. With reference to the duty on flour. Do not the flour consumers in Nova Scotia get their supplies principally from Canada?—Yes, principally. There are shipments from the United States, but I don't know the proportion.

Q. So that the imposition of a duty on flour would increase the importation very little?—I cannot say to what extent.

By Mr. Tupper:—

Q. Would not the sending of coals to Ontario have the effect of counterbalancing the duty on flour by the decreased prices owing to greater facilities?—Yes.

By Mr. McGregor:—

Q. What amount of coal would you be prepared to send to Toronto, supposing you had a duty?—I am not prepared to say. It would, of course, be a trade that would have to be built up.

Q. What is coal worth at Cleveland?—I suppose it is put on the cars at the mines at from 30c. to \$1.

Q. How much to the Lake?—I cannot say.

Q. Or the cost of these coals at Toronto?—No.

Q. Do you think you could establish a trade further west than Toronto?—No.

Q. So that the imposition of a duty on coal would only give you as far as Toronto in addition to what you have now?—Yes.

Q. The people west of Toronto would have to pay the duty on the coal they bought?—Well, that is a question for consideration.

Q. Would a duty placed on flour for the whole of Nova Scotia and Cape Breton be a heavy tax upon them for the amount of coal they would export?—No, I think not. It would be compensated by the amount of their coal trade.

Q. And that increase only reaching as far west as Toronto?—Well, the adjustment cannot fall equally all over.

By Mr. Dymond :—

Q. Your theory is that it would be a political operation, thus putting a duty on coal—a retaliatory policy?—Yes, and I think the pressure brought by the coal operators on the United States would be such as to compel the removal of their duty.

By Mr. Tupper :—

Q. If they found that the imposition of a duty was not shutting us out from the market, they would take it off?—Yes, it would bring such influence to bear upon the Government that they would be obliged to take it off. Friends of mine in Pennsylvania tell me so.

By Mr. McGregor :—

Q. Has not coal greatly fallen in price, owing to the opening of new mines and the construction of new railways in the United States, which will in the future keep it at a moderate price?—That has had an effect, but the great cause of the falling off in the United States has been the depression in all interests.

Q. Have not many of the old mines closed, or partially closed?—Yes.

Q. Those that used to employ 200 hands are now working with thirty and forty?—Yes.

Q. The general depression, you think, is the cause of this?—Yes.

By Mr. Workman :—

Q. Are you aware that the Grand Trunk Railway has lately advertized for tenders for coal?—Yes.

Q. Is it within your knowledge that the Nova Scotia coal owners are going to tender?—They could do so.

Q. I think there are about 150,000 tons wanted?—Yes.

Q. There are 30,000 wanted at Montreal?—We could reach that point.

Q. 30,000 at Brockville?—We could reach that too.

Q. 26,000 at Toronto?—Yes.

Q. And 75,000 at the International Bridge?—No, we could not touch that.

Q. I suppose if you were to take the price at which this coal will be delivered in Toronto by the American companies, and the price at which the Nova Scotian dealers could afford to put it there, the difference would represent the duty that would be necessary?—When I spoke of seventy-five cents per ton, I did not know how they would come into competition.

Q. Suppose the Americans could deliver in Toronto at \$3.50, and your tender was \$5, that would show that you would require \$1.50 in duty?—That would depend on what you estimate the freight at. I think the duty would place us on an equal footing.

Q. Don't you think this would be a fair test as to the amount of duty you require?—Yes; so far as Toronto is concerned.

Q. And Brockville?—Yes; the figures would show that.

By Mr. Tupper :—

Q. Is not that answer subject to this qualification: that there is at present an extreme depression in the American coal trade, and that when this passes away they will not be able to supply it at as low a rate as now?—Certainly. I am taking the prices that would pay.

By Mr. Dymond :—

Q. \$1.75?—Yes.

Q. I understand you to say that would not pay?—It would not on a small

tonnage: it would on large quantities. A trade would of course have to be created. You could not spring into a large tonnage in a day.

By Mr. McGregor:—

Q. Would a bonus or bounty be better than a duty?—Anything of that kind would be a benefit to the interest. If we could get nothing more than the royalty it would be of some benefit.

By Mr. Tupper:—

Q. The petition we have before us mentions the granting of a bounty on all coal shipped to the United States. Suppose that prayer were granted and that a bounty of seventy-five cents per ton on American shipments were granted, would that give us part of the market at New York and Boston and other places?—Yes, it would in these places.

Q. It would enable us to compete in those places and more or less regain that market. Would it not defeat the combination by which they now shut us out, and lead to their taking off the duty on coal as producing no result?—Yes.

By Mr. Sinclair:—

Q. Would it be a benefit in preventing the Americans from coming into the Canadian market?—Yes, certainly it would benefit some collieries more than others. Those shipping to the United States would be most benefitted.

By Mr. Tupper:—

Q. Our natural market is the Eastern States?—Yes.

By Mr. McGregor:—

Q. For Ontario, it is Ohio and Pennsylvania?—Yes.

By Mr. Tupper:—

Q. You are familiar with the trade or business of this country. Would you attach much importance to the effect on the country of keeping within the country the three millions of gold which we have to send out to pay for coal in the United States?—Yes I think anything that would tend to keep the metallic basis in the country would be a benefit.

Q. And that basis represents three times their circulating medium?—Yes.

Q. Assuming that one and a half millions of gold is kept in the country, representing three times that amount of circulating medium, would not that greatly benefit the trade of the country?—Yes; I should think so. That very fact is illustrated by the United States, in the enormous increase of its exports.

Q. Assuming that a duty was placed on all coal, would not the amount contributed to the revenue by the duties imposed on coal that would be brought into the country greatly relieve the taxation of the people on the other articles on which they now pay taxes to that extent, and thus make the profit on the whole by revenue that much less on the other industries of the country?—Yes.

Q. Whatever was collected would be so much revenue, which would leave us so much on other articles?—Yes.

By Mr. Dymond:—

Q. Coal is a raw material in a large number of our manufacturing industries?—Well, when you speak of raw material, the gross cost is in the cost of labour.

Q. But coal is of necessity a large item of cost in a large proportion of our manufactures?—No; I should think not. Take a person making boots and shoes for instance, that would be a sample.

Q. But, in the manufactures involving iron work?—Yes; It would be there.

Q. Then in proportion as you laid on the duty you would enhance the value of the manufactured article?—Yes.

By Mr. Goudge:—

Q. I observe that Quebec took in 1875, 381,000 tons; in 1876, 317,000 tons of coal; how do you account for the decrease?—I suppose it is owing to the low cost of coal in England, which is brought out at a cheaper rate to a foreign market. The consumption of the Messrs. Allan is from 70,000 to 80,000 tons of English coal.

Q. You stated that the Pennsylvania and Westmoreland Company put coal on board at 80 or 90 cents, is this done at a profit or a loss?—10 to 12 cents profit.

Q. What is the cost per ton per mile for the transportation from the Pennsylvania and Westmoreland mine to Philadelphia?—I cannot give you the figures as to that.

By Mr. Sinclair :—

Q. Can you compete favourably with the Americans in Montreal and Quebec; can you put coal in as cheaply as they can?—Yes; we have a certain proportion of that trade now.

Q. Could not you take the whole without a duty?—No, we could not; as I said before, Sir Hugh Allan's contract takes from 70,000 to 80,000 tons of English coal.

By Mr. Dymond :—

Q. Would you put seventy-five cents a ton on the 70,000 or 80,000 tons Sir Hugh Allan brings out; that would be the effect, would it not?—Yes, I suppose it would.

By Mr. Goudge :—

Q. Do the owners or coal proprietors of the Pennsylvania and Westmoreland mine own the railways?—No.

Mr. DYMOND read the following letter :

TORONTO, March 24th, 1877.

DEAR SIR,—Replying to your favour of yesterday's date, the statement I made that I bought coals at the mines at 50 cents per ton was correct, and the quality mentioned in the contract is for "good merchantable well-screened nut coal." I may say that our engineer prefers the nut coal for steam purposes, at the same price as lump coal.

I have further to state that since I made that statement, I have contracted for a further lot at 35 cents per ton, same quality.

Our consumption averages about 8,000 tons per annum.

I am yours,

(Signed) JAS. G. WORTS.

A. H. DYMOND, Esq.,
Ottawa.

By Mr. Tupper :—

Q. Is merchantable, well-screened nut coal an article of consumption with you?
—No.

Q. At what price could it be sold at your mine?—Fifty cents, free on board.

Q. Is that what you call slack?—No, it is what is run through an half-inch screen.

Q. It has been stated that your coal does not produce a clean nut, as is the case with American coal?—Yes, it does; there is no distinction.

By the Chairman :—

Is good, merchantable, well-screened nut coal a first-class coal?—Yes, for the purpose for which it is used.

By Mr. Dymond :—

Q. Assuming that you obtained freights at \$3.00, you could deliver this coal in Toronto at \$3.50 to \$3.65?—Yes.

TUESDAY, March 27.

Mr. J. R. NOONAN called and examined.

By the Chairman :—

Q. What position do you occupy in relation to the coal trade?—I am Manager of the Albion mines at Pictou.

Q. Are you well acquainted with the coal trade?—Yes. So far as Pictou is concerned, all my life.

Q. How many collieries are there in Pictou county?—Five: Albion, Acadia, Intercolonial, Nova Scotia, and Vale.

Q. Are the coals of this district all of one quality?—No, they differ. The Albion coal is a good steam, gas, manufacturing and domestic coal; the other four are good for steam and domestic purposes.

Q. What is the thickness of the largest seam?—Thirty-five feet; others are from fifteen to twenty-five feet.

Q. Is not this an extraordinary thickness?—Pictou is noted for the thickness of its seams. As a proof of the excellence of Albion coal I may mention that I shipped from 1858 to 1874 to the Boston Gas Light Company 413,545 tons, or something less than half their consumption. Albion coal was also shipped to Boston, Pembroke, Providence and Portland for iron manufacturing purposes. The Gas Company has a high opinion of the Albion coal for the coke it yielded. The same coal is used very extensively in the Londonderry, N.S., iron and steel works.

Q. What were the sales of the Pictou mines last year?—217,530 coarse; 58,088 slack. The slack is coal that goes through a half-inch screen and is called black-smiths' coal.

Q. Do you know anything of some cargoes of coal sent to Toronto some years ago?—I do. I was agent for T. C. Chisholm, who had a propeller, *Her Majesty*, in 1869-70, two seasons. The first cargo or two went from the Albion mines; the balance from the Intercolonial. The latter mine was just opened, and the surface coal is never so good as that found deeper, so that the sample was not a fair one.

Q. Was this sold as a first class coal?—I think it was sold more cheaply than the Albion coal.

Q. How do the shipments of coal from Nova Scotia to the United States compare with those of previous years?—They have very materially decreased.

Q. What were the rates of freight in 1875-6, excessive or otherwise?—They were much reduced. I could give the rate from Pictou to Boston, which is our chief port. They are about \$1.75 to \$2, United States currency, per ton. That was the lowest rate we ever had from Pictou; it didn't pay the vessels. Our rates to Montreal are \$1.75 to \$2 gold.

By Mr. Sinclair:—

Q. Is it cheaper to carry to Montreal or to Boston?—The navigation is more extensive to Montreal. The rates to Quebec are \$1 to \$1.50.

Q. With those rates, could you manage to compete with the United States in their market?—No, we could not, having that seventy-five cents to meet us. Last year, out of the 17,000 or 18,000 tons we sent to the United States, 11,000 was for the Grand Trunk Railway, which had no connection with the United States consumption at all.

By Mr. Dymond:—

Q. To what point was it sent?—To Portland.

Q. It was subject to the duty?—Yes; so that in fact we only sold 7,000 or 8,000 tons to American consumers.

By the Chairman:—

Q. Can you give us the number of men employed in the different collieries of the Province?—In the Albion, there were 615; in the Acadia, 192; in the Intercolonial, 214; in the Nova Scotia, 85, and in the Vale 170, making 1,276 in all. This is about 300 men less than last year.

Q. What was the largest number you had employed in any one year, and in what year?—I should think the years from 1860 to 1865 were the heaviest years, that is, at the Albion mine. I fancy since all the mines have been working, they would be pretty uniform.

Q. How many persons are there who are directly or indirectly dependent on these men?—I should say over 3,000 persons.

By Mr. Sinclair:—

Q. How many of them are married?—About two-thirds of the number.

By the Chairman :—

Q. Have there been any large expenditures in connection with the operating of these mines?—Yes.

Q. Could you give us the amount of capital invested in these mines?—No, I could not.

Q. Can you approximate?—No, I could not.

Q. Or the sums invested in the plant, material, &c.?—Well, it must be a large figure, but I would not like to attempt to give them for fear I should be astray. Anyone can see by looking at the mines that the amount must have been enormous.

Q. Do you know the amount in the Albion?—No.

Q. You were going to make an answer just now about the amount of expenditure on construction?—Yes; in 1875 there was expended on the whole mines \$88,663, I mean in Pictou. In 1876, \$11,391. Of course, that is keeping everything down to the lowest figure.

Q. Would 1875 show the largest yearly expenditure?—Yes, for some years.

Q. Was there any year in which it was greater than that?—Certainly; those in which there were new mines opening.

Q. Can you give the Committee any idea of the quantities of dutiable goods consumed in the mines?—Taking the Albion mine as a criterion, the amount paid last year was \$1,239. The mine did not import very much last—just what sufficed to carry on the works.

By Mr. Dymond :—

Q. I presume that in connection with the first works, there would be the largest amount of dutiable goods consumed?—Yes, certainly.

Q. Would that be much in excess of the figures you have named?—Yes, largely in excess.

By Mr. Tupper :—

Q. What did you say was the value of the dutiable goods?—I said \$1,239 for duties.

By Mr. Dymond :—

Q. I understood you to say that that was the amount of dutiable materials?—No, that represents the duty.

Q. That represents the duty that was paid. Can you tell us the amount of the dutiable goods consumed?—There was about \$23,000 of dutiable goods consumed at the mine. In 1876 the amount of duties paid on those were about \$4,500.

Q. What was the consumption of dutiable goods at the Pictou mine last year?—\$23,000, the duties being about \$4,000 or 4,500.

By Mr. Tupper :—

Q. How can you get so large an amount of duty on that amount of goods?—That would be about the amount at 17½ per cent., though I don't give it as the real figure. I can only speak positively as to the Albion mine.

Q. Does that represent all the dutiable goods—those consumed by the miners and those used in the mines?—No, the mine alone. You will find it in Poole's Report for 1875.

Q. Do you know what was the amount of duties paid by all the mines in the Province?—I should estimate that it would amount to from \$15,000 to \$20,000 in all the mines in Cape Breton and Nova Scotia. I base that on some knowledge of the facts.

Q. That is as near as you can approximate?—Yes.

By the Chairman :—

Q. Would there be any advantage to your coal shipment if a duty was placed on coal?—I think so. I think there is no doubt about it. It would help us, at all events, in exports to Quebec and Ontario to compete with the American coal there.

Q. Would it help you in the United States?—Certainly, to that extent that it would enable us to meet the seventy-five cents imposed there.

By Mr. Sinclair:—

Q. How would it help you in the United States?—Because a duty on all imported coal would help us to send our coal to Quebec and Ontario, and by that means it would probably lead to getting their duty off.

Q. It might indirectly help you, but I cannot see how it would directly?—I think it would.

By Mr. Tupper:—

Q. By increasing the production of coal, you could raise it at a much smaller cost?—Certainly.

Q. And doing so, you could put it into the United States market much more cheaply than now?—Yes, there is no question about that.

By the Chairman:—

Q. What effect would a bounty have?—I think it would operate against the export of coal to Ontario and Quebec. It would help the coal to the United States and not to the western Provinces, because people would not take coal when they thought they were being taxed for them.

By Mr. Tupper:—

Q. Do you think that the purchasers would take into consideration much except the cost they have to pay for it?—Yes, I think they would.

Q. You think that in buying goods sentiment has much to do with it?—I think, on this question of coal, there is such an objection to placing a duty, that if a bounty is placed on it, they would be opposed to taking coal under the bounty. They would more readily pay a duty. What I mean is that I think the duty would do the coal interest more good than the bounty. I think the bounty would not work so well.

Q. If you had a bounty of seventy-five cents per ton on coal shipped to the United States, would it not meet the seventy-five cents by which you are met?—Certainly.

Q. It would give you the United States market back again?—I have no doubt of it.

Q. About the quality of Nova Scotia coal—are you aware of its being used in manufacturing iron in the United States?—It is extensively.

By Mr. Dymond:—

Q. You say, in answer to Dr. Tupper, that a bounty of seventy-five cents would give you the United States market?—I think so.

Q. Have you lately ascertained the prices of coal in Boston or New York?—No, I have used the prices as they are quoted here.

Q. You are not able to say what are the prices at the present time?—No, not of my own knowledge.

Q. At what rate could you ship coal, at the present time, to Boston, free on board?—I gave you, I think, the price of our coal—\$2 per ton at the Albion mine.

Q. Suppose you had a contract for 20,000 or 30,000 tons for the United States?—It might be less, but I cannot answer that exactly. But for a small amount of 4,000 or 5,000 tons about \$2 per long ton would be the price.

Q. Is it the long ton or the short that is used in the United States?—The short ton, I think, but we sell ours by the long ton.

Q. That would be about \$1.75 for the short ton?—Yes.

Q. You think you could make considerable shipments, putting it on board at that rate?—No, we could not ship so low as that.

Q. Not for the short ton?—No, I think not.

Q. What are your freights at the present time to Boston?—\$1.75 to \$2.00 currency.

Q. Perhaps \$2.00 currency would cover the insurance?—Yes, but that is a low rate of freight, we never had so low a rate as that.

Q. Yes, but coal freights are very low in the United States?—Yes.

Q. You cannot tell us the price of coal in the Boston market?—No.

Q. Have you seen quotations lately?—I have, but I do not exactly remember, at present, well enough to quote the current rate.

Q. Why you say that seventy-five cents would give you control of the American

market, that is a hypothetical opinion; you are not able to say positively from your own knowledge of the figures?—Well, I had a knowledge of the figures, but they have gone out of my memory at present.

Q. You stated you could not tell us the amount of capital invested in the Pictou mines; can you state the annual expense of working one mine, say the Albion; what is the annual expenditure?—I cannot give you the correct figures.

Q. Approximately?—I should not like to give a figure, but their pay sheet, to my own knowledge is, on an average, between \$8,000 and \$10,000 per month.

Q. Say \$100,000 a year in round numbers?—It would be that.

Q. You say there is, in addition, the expenditure of large sums for material, works of construction and so on; what would be the average for that at the Albion mine?—Well, if coal was extensively moved and exported I should say, judging from former years, it would be probably \$30,000 or \$40,000 a year.

Q. Do you mean works and materials used, such as ropes, chains, and so forth?—Yes.

Q. What staff have you on that mine in addition to the miners; have you a staff of clerks?—Yes.

Q. How many?—I cannot say, some three or four at all events, and there are a manager and other subordinate officers.

Q. Your position is that of agent?—Sub-agent in Pictou for the purpose of attending the shipping business, entering goods, and so on.

Q. Can you give us any idea of the salaries of this staff?—No, I cannot.

Q. \$10,000 or \$15,000 a year?—I could not answer with certainty.

Q. You would not like to put the total out-goings for wages and expenditure on materials, and so on, at less than \$150,000?—I would not like to attempt to give the figures.

Q. I am taking \$100,000 for expenditures on wages on actual labour; \$35,000 is the probable expense for materials and works of construction on that mine when at full work. You say there is, in addition, a staff of clerks, managers and, I suppose, there are other expenses; would not it be safe to put them at \$15,000 per year?—That would be a high figure.

Q. Say \$10,000 for manager and agent, and three or four clerks?—I don't know, I think about \$2,000.

Q. Well, probably \$140,000 per year would be the annual expenditure of the mine?—Yes.

Q. What would you consider the out-put at the full working of the mine?—20,000 tons per month or 240,000 tons per year.

Q. All saleable coal?—Well, that is large and small coal, you may call it all saleable, as it can be utilized.

Q. Have you done anything in the coke trade on a large scale?—Yes, we have.

Q. Have you found a market for it?—We have.

Q. Where?—At the Londonderry, (N.S.) and Acadia Iron Works.

Q. Is the manufacture of coke profitable?—Certainly, because the slack is utilized.

Q. Have you any association among the Pictou miners for ordinary business purposes?—Not that I am aware of.

Q. Is it not a fact that some complaints have arisen among shippers as to the treatment they have received; do you give any preference at Pictou to steamers over sailing vessels?—We do.

Q. If a steamer comes in you give her the preference in loading?—She takes her place immediately.

Q. Does that disadvantage the owners of sailing vessels from coming into your port?—It did, only we got a number of different places for loading so that there would be no detention.

Q. Did not it effect a permanent injury on the trade?—No, I think it was only temporary.

Q. Have you made an effort during the last two or three years to obtain a

market west of Montreal?—I presume that the financial agent, together with other agents in foreign places have been doing all they could.

Q. But it is not within your own knowledge?—No. There was one thing stated about the expenditure by having too many shipping places which I would like to explain. When we had only one shipping place at the Albion mine we shipped to the extent of 187,000 tons some years and out-bound vessels were detained from six to seven weeks waiting their turn to load. Consequently, when all those other mines got their wharves, it did away with that, it brought vessels back that used to be at our port. It was considered that one or two loading places should be sufficient for them all, but it could not be done, because connection with the railway could not be profitably made. For that reason we had to have different shipping places to prevent the detention of steamers.

By the Chairman :—

Q. Then you don't agree with Mr. Poole?—No, I do not agree with him at all. The trade could not be carried on at all if it was as he represents.

Q. Does the coal trade employ a large quantity of shipping?—It does. When the trade was brisk we used to have 200 vessels in our ports.

By Mr. McGregor :—

Q. Don't you think the depression in the United States has had a great effect?—I have no doubt it has. Sundry influences have operated against us.

Q. And the opening of new mines and railways in the United States?—Yes.

Mr. MORRISON was then called and examined.

By the Chairman :—

Q. Where do you reside?—In Halifax.

Q. Your occupation?—General produce business.

Q. Are you acquainted with the shipping interests of the Province?—Yes, to a certain extent.

Q. And the general export and import trade?—Yes. I should state, however, that I labour under a disadvantage in replying to your question, inasmuch as there are no statistics kept of the trade between the various Provinces, and the statistics and other information which I may give you have been gathered with considerable labour in a very short time.

Q. From the statistics of the different Boards of Trade?—No. Even they do not keep them. They are obtained from our own reading rooms principally.

Q. The information you possess is derived from the most authentic sources at your command?—Yes.

Q. What branch of trade are you particularly interested in?—All the produce of Canada nearly.

Q. In the importations, or produce of the Upper Provinces?—Yes, produce, breadstuffs and grain.

Q. What is the nature of the importations from the Upper Provinces into Nova Scotia?—I can give you a statement of the imports from Canada previous to Confederation. I will take the financial year of 1865-66. The imports into Nova Scotia were \$508,935. The exports from Nova Scotia to Canada that year were \$438,191. I find that in 1876 the imports were approximately \$3,500,000 from Ontario and Quebec. Though I cannot give the exports from my own personal knowledge, I don't think they exceeded those of 1865-66. We have sent very little to the western Provinces.

By Mr. Tupper :—

Q. Do you include coal?—I am not speaking of coal. It was included in the figures for 1865-66

Q. The \$438,191 includes coal?—Yes.

By the Chairman :—

Q. You think the exports now are similar to what they were in 1865-6?—Yes, I don't think they have exceeded the figures for that year. The exports of coal would, however, be larger in 1876 than in 1866.

Q. Then you consider that the exports, with the exception of coal, are about

the same, so that the difference between the shipments of coal then and now would have to be added?—Yes.

Q. Whatever increase there may be, you consider, is the increase of coals between that time and the present?—Yes.

Q. Have you gone to the trouble of compiling the information contained in this statement?—I have. I can give you the annual average of the inward and outward freights on the line between Portland and Halifax in connection with the Grand Trunk. Their estimate is 50,000 tons of freight annually.

By Mr. Tupper:—

Q. That is the estimate of outward and inward freights?—Yes; the outward freights are very small.

Q. That is supposed to be Canadian produce?—Yes.

Q. What bearing has that upon the present inquiry?—It confirms what I have said as to the amount of traffic.

By Mr. Dymond:—

Q. Your figures are intended to show the very large amount of trade done by Nova Scotia with the Upper Provinces?—Yes, they never had those steamers running until after Confederation, and those figures show the large amount of tonnage going through from Canada.

By the Chairman:—

Q. 50,000 tons a year?—Yes.

By Mr. Tupper:—

Q. Then that is part of the three millions you mentioned?—Yes.

By the Chairman:—

Q. Is that tons of goods?—Yes. I would like to make a statement of freight over the Intercolonial since it was in operation, from July, 1876, to March 18th of the present year, so that these figures might be in juxtaposition to those I have just given.

By Mr. Tupper:—

Q. Do you mean both ways?—No, inwards to Nova Scotia. The traffic on the Intercolonial did not amount to much at its inception. It was towards the latter part of the nine months that traffic really began to set in. The amount was 1,449 cars of goods. This will give you some idea of the extent of the present traffic over that line. 1,300 cars of through freight came to Halifax, leaving 149 cars of way freight delivered along the line. This shows that the Intercolonial is going to be a great success as regards importation.

Q. Can you give the tonnage?—20,000 pounds to each car is about the average

By the Chairman:—

Q. Can you mention the general nature of the imports?—Almost everything that Ontario produces, we import a little of. You take the article of flour; we imported into Halifax 185,356 barrels in 1876. Approximating the amount to the ports of Yarmouth, Windsor, Cape Breton and Pictou, I should say about 100,000 more came to the country.

By the Chairman:—

Q. What other articles were there?—Oatmeal, 5,815 barrels into Halifax; cornmeal, we do not import much of from Canada, as we cannot get it as cheaply as from the United States; even if there was a duty of fifty cents on cornmeal we could import it more cheaply from the United States; we had only 265 barrels of cornmeal, and that was from Montreal.

Q. Will you state the leading articles?—Flour, oatmeal, butter, bacon, hams, dressed hogs, tobacco, leather, pot barley, boots and shoes, hides, cheese, kerosene oil, seeds, ale and porter, vinegar, soap, starch—oats are beginning to be a large item—beans, peas, malt, fresh beef, mutton, agricultural implements, hardware and woollen goods. Those were the chief articles. Some prejudice exists in Nova Scotia

against the flour and oats of Canada; before Confederation we used American flour; we could not persuade the people to use the Canadian article, but after a time when they began to use it it was very generally used and universally liked; in reference also to oats, we got two cars of 1,200 bushels, but we could not get the people to buy them at all, they were so prejudiced against them; we had to put them in store and lost a good deal of money on them; but now they are beginning to be generally used; It just shows the prejudice of the people against using these articles.

By Mr. Power:—

Q. The prejudice was not against them 'as Canadian oats, but because they were white oats?—Yes, but it shows that the prejudice existed.

By the Chairman:—

Q. Is the whole amount of imports \$3,000,000; did you say so?—Yes.

Q. Does that include the goods coming in at the outports?—Yes, the whole Province, with regard to flour; if we do not have some arrangement about a duty on coal, on our miners' work, this trade will largely decrease; and having a direct connection with the United States we get many of those articles that are free because we do not export anything to the western Provinces; our country is being gradually drained by this; we can send our fish to the United States and get return cargoes; freights are so much cheaper; vessels from the West Indies are taking cargoes to the ports of the United States, and bringing down freights—some for ballast, and some at the low rate of 18 cents per barrel.

Q. Do you contemplate purchasing there?—Yes, I am now on the way to make arrangements.

By Mr. Power:—

Q. That has been the case for two or three years?—Well, the flour imported from the United States is very limited.

Q. The average freight from Boston is 10c to 12½c. is it not?—Yes, and now they sometimes get it free on account of the ballast.

By the Chairman:—

Q. What has Nova Scotia to export to the other Provinces?—Fish and coal.

By Mr. Dymond:—

Q. Since the Intercolonial has been opened has not it afforded you greater facilities for getting flour from the Upper Provinces?—No; because we have four different ways: by New York, Boston, the Intercolonial, and Grand Trunk by way of Portland.

Q. Do you gain anything from the Intercolonial in the way of inward freights?—To a certain extent.

Q. In what way?—Owing to the rivalry between the companies and the increased competition.

Q. Are you aware that very large freights have come westward over the Intercolonial?—Yes; they have probably gone to Chicago, they are not, however, very large, but rather limited.

Q. Does not that indicate an increased trade?—Yes; I think it does.

Q. You say that unless we should take your coal, trade would fall off. Do you know that the trade between Nova Scotia and the Province of Quebec has been increasing for some time?—Yes.

Q. Then so far as trade is concerned you are not worse off than formerly?—Yes, we are, because we have not the exportation we used to have.

Q. To where?—To the United States; we had a large export to the United States, and the export to Canada was very insignificant.

Q. Then in the absence of the export to the United States, you are not able to get return freights so easily as if you had that export?—No.

Q. Then the additional export to the United States is cut off, and the export to Montreal increased, and the advantage is rather in favour of Montreal than the United States?—To a certain extent it is.

Q. What is the general nature of the exports to the United States?—Fish, coal and plaster.

Q. What did Nova Scotia export to the United States last year?—Nova Scotia exported to the United States for the year ending June 30th, 1876, as follows:—

Product of the Mines.....	\$291,738
“ “ Fisheries.....	877,693
“ “ Forest.....	104,431
Animals and their products.....	22,512
Agricultural products.....	10,204
Manufactures.....	143,297
Sundries.....	13,450
Total.....	<u>\$1,463,325</u>

By Mr. Dymond:—

Q. What would be the effect if Nova Scotia was enabled to supply Ontario with one-half the coal now supplied from the United States?—A great increase in mining; a great many people who have left the Province would return, and we would also have a great increase of capital.

Q. Do you think it likely or probable that there would be return freights from Ontario?—Yes.

Q. To any great extent?—Yes; to a large extent; because these mines, which are our chief industry, would consume a much larger proportion of the products of Ontario—oats, flour, butter, cheese, in fact nearly everything that Ontario produces.

Q. It would lessen the down freight if there was one upwards?—Yes.

By Mr. McGregor:—

Q. What duty would it require to make Ontario use one-half of your coal?—I think about 50 cents.

Q. They would take it how far west?—I am not sufficiently acquainted with the coal trade to answer that.

By Mr. Tupper:—

Q. You are largely engaged in shipping; your firm is one of the largest ship-owning firms in the Province?—It does a considerable shipping business.

Q. What would be the effect upon the shipping if the coal trade was largely increased?—It would give employment to our ships nearer home, and would not compel them to go on long voyages. Our vessels, too, would in that case get their supplies at home, as we have a large floating population and it would thus be the means of circulating a large amount of money in the country that now goes abroad.

Q. The destruction of the Nova Scotia coal trade would have a disastrous effect upon the shipping of the country and consequently upon its trade?—Yes, certainly.

By Mr. Dymond:—

Q. When you speak of the shipping trade being kept at home, do you mean as between the Lower Provinces and Montreal, or between the Lower Provinces and the States?—Either; the whole industry of the country lies in that of our mines, and if it is stimulated, everything else feels the effect; lumber, freights and everything.

Q. What quantity of coal does an ordinary vessel carry in one trip, say to Montreal or Boston?—I don't give that department my particular attention at all, but I should think some 200, 300 or 400 tons; long voyages require larger vessels, and shorter voyages smaller ones.

Q. The same class of vessels would not be required for the inter-provincial trade as for the deep sea trade?—Yes; to some extent, if they could get up your canals.

Q. Have you taken any steps by communication with gentlemen in the Upper Province, or otherwise, to establish an inter-provincial trade?—I think we are doing our very best, in fact it is so far all one-sided.

Q. You mean you are doing your best by being large purchasers?—Yes. I

think it is very apparent what we are doing in the way of negotiation and trying to secure an increased duty:

Q. But I mean as to commercial arrangements among yourselves?—Yes.

Q. Have you entered into calculations amongst yourselves as to the possibility of an inter-provincial trade being done irrespective of duties?—Yes.

Q. Are you of opinion that your coal can be laid down say at Toronto so as to compete with American coal?—Yes, if we have a duty.

Q. You have read the resolutions of the Boards of Trade of Hamilton and Toronto, in which they suggest a readjustment of the tariff. One portion of that readjustment would be the imposition of a duty of 50 cents per ton on coal. What would your opinion be of what might be termed equivalent duties on breadstuffs, say equal to that of the States?—We would not object to a duty of 25 cents on flour.

Q. What is the duty on flour imported into the United States?—I don't know.

Q. It is considerably more than 25 cents?—Yes.

Q. Would you object to a duty of fifty cents a barrel on flour?—No, I don't think I would if we had a duty of fifty cents on coal, for the reason that we get nearly all our flour from Canada now, and of course if there was a duty on flour, the consumption of importations from Ontario would be very much greater.

By the Chairman:—

Q. You say we get nearly all our flour from Canada?—Well, we get some 90,000 barrels from the United States. We get certain classes of flour from the United States.

By Mr. McGregor:—

Q. Is it a purer grade, Ontario flour?—Well, we think so.

By Mr. Dymond:—

Q. Has Ontario flour improved of late years or deteriorated?—Well, they have changed the grading so that certain brands have deteriorated. The old brand of "No. 1" flour was about equal to the present "extra." It is just a change of name.

Q. You think a duty of fifty cents a barrel on flour might be borne, if you had a duty of fifty cents per ton on coal; that would be a charge of \$500,000 on the whole, according to the returns?—I think the trade returns mix up the flour and the meal.

Q. Flour of wheat and rye are given as distinct?—Perhaps \$500,000 would be the amount; I cannot say as to that.

By the Chairman:—

Q. You say we import our flour principally from Ontario?—Yes.

Q. Are you aware that of wheat and rye flour we imported \$739,368 worth; and of flour and meal of other kinds \$291,211, making in the aggregate \$1,030,579 worth?—Yes; we have imported from the United States, including meal, 223,891 barrels.

Q. What proportion does that bear to the imports from Ontario?—There were 285,356 barrels from Ontario to Halifax alone.

By Mr. Dymond:—

Q. I thought the usual calculation was about one barrel per head of the population?—Yes; but we have a large floating population.

Q. But they take the flour from you, don't they?—Yes; a great deal is taken by foreign vessels.

Q. What is the consumption of flour in the Maritime Provinces?—There are 285,000 barrels of Canadian, and 133,304 of American. That is for Nova Scotia. It is impossible to give the Maritime Provinces, as we have no statistics of the Canadian flour consumed by New Brunswick and Prince Edward Island.

Q. I suppose we may assume that the consumption of the whole of the Maritime Provinces is about 800,000 barrels?—Yes.

Q. At fifty cents per barrel that would be a tax of \$400,000 on the people of all the Provinces?—Yes; I suppose it would.

By Mr. Tupper:—

Q. Would the creation of this inter-provincial trade, and the facilities for putting coal in the Upper Provinces and flour in the Lower, counteract the effects of the duty and keep the taxation from materially increasing?—Yes.

By Mr. Dymond :—

Q. That would require a fifty cent duty on 800,000 tons?—No.

By Mr. Tupper :—

Q. What you mean is that the interchange of those articles, the trade created, and the facilities for freight, would neutralize, to a large extent, the imposition of a duty?—Yes.

Q. Would not the prices of flour be principally governed by the English market?—Yes; to a very great extent.

Q. Consequently the imposition of a duty would not materially increase the price?—No; I don't think it would.

By Mr. Dymond :—

Q. What is the rate of freight per barrel of flour over the Intercolonial Railway?—Eighty cents.

Q. By steamer too?—Yes, about eighty-five cents, and they were reducing freights.

Q. Has it not been carried as low as sixty-five cents?—Yes, those were summer freights.

Q. What period of the year do you receive the most importations of flour?—In April and May.

Q. Then sixty-five cents being the summer freights you tell Dr. Tupper that a reduction of freight, owing to increased facilities would merely counteract the duty of fifty cents?—Yes.

Q. Do you think that flour would be carried for fifteen cents from any port of Ontario?—We have had offers at twenty cents from Montreal.

Q. And Toronto?—We do not buy in Toronto in summer, but Montreal.

Q. Under what circumstances were you offered freight at twenty cents?—That was a common thing last summer.

Q. Was the flour to be laid down in Halifax?—Yes.

Q. By steamer?—Yes.

By Mr. Power :—

Q. What is the present summer rate of freight to Montreal by the Intercolonial?—Well, we had no summer rates by the Intercolonial. About fifty cents to fifty-five cents by Portland and the Grand Trunk. I think the lowest was about fifty cents.

Q. Were not these twenty cents freights unusually low?—Yes.

Q. Have you had such rates in former years?—No.

Q. It was quite accidental then?—Well, vessels coming down and taking coal to Montreal have offered freights as low as fifteen cents.

By Mr. Tupper :—

Q. If the coal trade was increasing you could rely on that rate?—Yes.

By the Chairman :—

Q. If there was a trade between Nova Scotia on the one hand, and Ontario on the other, would it assist our West Indian exports?—Certainly.

WEDNESDAY, March 28.

Mr. J. R. LITHGOW called and examined.

By the Chairman :—

Q. Are you a resident of Halifax?—Yes.

Q. A Director of Glace Bay Mining Company in Cape Breton?—Yes.

Q. That Company has a coal area; is it extensive?—Yes; it is pretty extensive.

Q. How many million tons of coal are there available in this area?—Mr. Brown, in his book on the coal mines of Nova Scotia, estimates five seams at 43,900,000 tons, in 1871.

Q. That does not include the submarine seams?—No.

Q. What is the character of your coal; is it adapted for domestic purposes?—The first seam the company worked, called the "Hub" seam, was particularly a gas

coal. It was also a good steam coal. Two years ago that seam was abandoned in consequence of the little demand for gas coal, and we now work "Harbour" seam. It is a good domestic coal, and a very good gas coal. It is also used for steam purposes.

Q. What are you selling at?—Our price for the last year or two has been \$1.75 per ton of 2,240 pounds. That is the price by the cargo. To large purchasers of over 1,000 tons we make a discount of ten cents; of 2,500, fifteen cents; and of 5,000 twenty cents.

By Mr. Dymond:—

Q. Would you regard those as paying rates, or as merely what may be termed depression rates?—I cannot regard them as paying rates, except we were shipping a great deal more than we have been doing. I would explain that by a paying rate I mean one that would give interest on the investment.

By the Chairman:—

Q. What is the amount of your capital invested in the mine?—The capital stock is \$600,000.

Q. Is that nominal capital?—That is the capital of the company.

Q. That is the value, or actual amount of paid-up stock, is it?—It was not actually paid up, but it was all invested in the mine.

Q. You have made an artificial harbour?—Yes. The company constructed a harbour; originally there was a small lake.

Q. You have short railways, too?—Yes.

Q. Have you had any dividends declared of late?—Yes.

Q. When was your last?—We had a small dividend last year, one and a half per cent.; the year before, one per cent.; the year before that there was nothing.

Q. For how many years past have you been making no more than one or two per cent.?—For the last eleven years the dividends have not averaged quite two per cent.

Q. What were the sales of last year?—28,686 tons.

Q. What is the largest number of tons you have shipped in any one year?—A little over 84,000; that was in 1865, the last year of free trade with the United States.

Q. How does that 28,686 tons compare with the last eight or ten years; is it increasing or decreasing?—For the previous year it was 25,269; in 1874 it was about 40,000; in 1873 66,000.

Q. Do you send any coals to the West Indies?—Very little; last year only three cargoes.

Q. What is the season for sending it?—In winter.

Q. Have you facilities for shipping in winter?—Well, we could ship if the ice on the coast would permit, and vessels could be induced to go. There was a vessel from Barbadoes laid up off Newfoundland; that was in January. She was nearly frozen in and had to go with only part of her cargo.

Q. Do you ship during all the months of the year, or are there any in which you do not ship?—As a general thing we do not ship much between January and April or May. We have shipped in every month in the year, but it is exceptional.

Q. Do you know the cause in the falling off in your shipments; did you send much coal to the United States at any time?—In 1865 nearly all our out-put went to the United States; for several years it was our principal market.

Q. What was the cause of the falling off?—Of course it was the imposition of the \$1.25 duty in 1866; for the last four or five years the duty has been seventy-five cents. But, the special causes are the arrangements made by the American railways whereby coal shipped from Baltimore or Philadelphia is placed in New York, Boston, and other ports at a cheaper rate than it sells for in Baltimore and Philadelphia.

Q. Are those engaged in on about the collieries liberal consumers of agricultural produce and users of manufactured goods as well; they produce nothing except coal?—Of course I can only speak from general information never having been but once at the mine. I know they are large consumers of breadstuffs.

Q. They don't produce anything except coal?—Scarcely anything.

Q. What do they produce?—When the coal is a little dull they sometimes do fishing.

(The following list of dutiable goods used at Little Glace Bay in 1876 was put in):—

Powder, dynamite, fuses, detonators, shovels, riddles, wire rope, castings, boiler and engine fittings, globes, valves, iron pipes, nails, felt, tar paper, rubber, packing, pit cloth, babbit metal, engines and boilers, gauge glasses, miners' lamps, olive oil, tallow, railway grease, iron, white lead, manilla rope, Cameron and Plunger pumps, locomotives, lime and leather.

MR. THOS. LITTLEHALLS called and examined.

By Mr. Dymond:—

Q. You are Engineer of the Hamilton Gas Works?—Yes.

Q. Are you familiar with all the details of gas manufacture?—Yes.

Q. Where do you obtain your supplies of coal?—From Pittsburgh and that neighbourhood.

Q. Can you tell us the contract rates at the present time?—Last year it cost us \$3.25 American currency, free on board at Cleveland.

Q. The rate of shipment to Hamilton was —?—The rates including wharfage, storage, and teaming into our works was \$1.75 gold.

Q. That brought it about \$4.75 gold in Hamilton, delivered in the yard?—Yes.

Q. Is that the long or the short ton?—2,600 pounds.

Q. Is the American coal the best for gas purposes?—Unquestionably it is.

Q. Does American coal vary largely in gas-producing qualities?—Yes, to a large extent—as much as \$3.00 per ton in gas-making value, although its actual price might not vary 25 cents.

Q. Can you give us the precise gas-producing quality of your own and other coal?—Our average in Hamilton is probably about 9,500 cubic feet per short ton, fourteen candle gas. When we get it in fresh it is considerably larger than that. When it is stored for twelve months we don't get as good results. What I have given is a fair average for the year.

Q. Do I understand you to say that it is advantageous to get the coal quickly into use after production in the mines?—Yes, it makes a vast difference. By storage in large quantities it will deteriorate 10 or 15 per cent. in a year.

Q. Have you made any contracts for this year?—No.

Q. Is it higher or lower than last year?—About the same—perhaps a shade lower.

Q. Have you made attempts to get the coal through by rail?—We did get about twenty cars, but it was very unsatisfactory in this respect, that the weights ran out; we had an idea of getting our supplies in that way, but we were so dissatisfied with the way the weights turned out, that we abandoned it.

Q. Still there is no reason, as far as freights are concerned, why you should not get your coal by rail?—We always get it cheaper by water, and the coal could be got very fresh.

Q. What is the rate of gas in Hamilton?—\$2.25 net; \$3.00 gross.

Q. What was it twelve months ago?—\$3.00.

Q. Then you have reduced seventy-five cents per thousand in twelve months?—On the first of May, 1874, we reduced to \$2.50 from \$3.00, in 1877, from \$2.50 to \$2.25.

Q. Was that because you could make coal contracts more cheaply?—It was partially on account of that, but there are a number of reasons. First, we have been getting very much better results out of our works, making several improvements, and thus saving a large amount of leakage of one kind and another; it is due generally to our improved system of management.

Q. But partially on account of the cost of coal?—Yes.

Q. How do the prices of coal for the last two years compare with those for the previous three or four years?—Very much less; last year was the most favourable we have had, so far as coal or freight is concerned; we may possibly this year get freights as low, but we don't calculate on maintaining the same low rates.

Q. Have you made experiments with Nova Scotia coal at any time?—We have not, though I am pretty familiar with the results in other works.

Q. You have had no experience in Nova Scotia coal personally?—No.

By the Chairman:—

Q. You say the coal gives 9,500 cubic feet?—Yes.

Q. And has an illuminating power of fourteen candles?—Yes.

Q. As a matter of course an article of bituminous coal that would give 10,000 feet, sixteen-candle illuminating power, would be superior?—Yes, but you have to take different things into consideration. We could get 10,000 feet and over in one year, but the figures I gave are the average result of a year's working.

Q. Do you sometimes get it very much less than the amount you have named?—Towards the end of the year, when it has been screened for a long time, it will run down to 9,000, and when quite fresh it will run over 10,000.

Q. You are speaking of the best quality of gas coal?—Yes, the best averages.

Q. Is it round coal or small?—The slack is taken out and there is a good deal of nut size. It is taken from a mine and run through a screen that takes out the finest. There are some large lumps in it and some small.

Q. Do you call it round coal?—No, it is lump coal. The finest slack is taken out.

Q. How high have you paid for coal of that class?—The highest is \$4.30 on board at Cleveland, and \$2.50 freight and delivery into our yard. That was in the summer of 1873.

Q. \$4.30 American money?—Yes.

Q. At that time that would not be equal to more than \$3.20?—I would correct what I have said; it would be \$3 from Cleveland to our stores.

Q. What did you pay in 1874?—We paid \$4.25 on board at Cleveland, and I think it was \$1.75 freight into our stores.

By Mr. Tupper:—

Q. What did it cost you then in your stores?—About \$5.58, or in that neighbourhood.

Q. What do you pay this year?—We have not made contracts for this year, but last year it cost \$4.75 delivered.

By the Chairman:—

Q. What about 1875?—The coal was, I think, about the same price and the freights were lower, that is coal for use in the summer of 1876.

Q. What is the class of coke you obtain from this coal?—It is a very good class, we get from 36 to 38 bushels per ton from it.

Q. What quantity do you use?—3,000 tons; the total quantity consumed in Ontario Gas Works is 25,000.

Mr. CATHELS was called and examined.

By Mr. Dymond:—

Q. Are you manager of the Montreal Gas Company?—Yes.

Q. Conversant with all the practical details of the work?—Yes.

Q. What is the price of the coal used by you at the present time?—Last year it was about \$5.50 delivered in the stores.

Q. Where do you obtain your supplies?—From Nova Scotia.

Q. What mines?—The largest proportion has been from the International mine; we had also some from the Caledonia, Blackhouse and Glace Bay, C.B., mines.

Q. Was it obtained by tender?—Well, it was a special arrangement made between the proprietors of the mine and us for a certain quantity.

Q. Did you issue advertisements for tenders?—No.

Q. Did you test the prices of Nova Scotia coal as against English and American coal?—Until four years ago English coal was sold exclusively with us; last year we again tried it to the extent of 5,000 tons.

Q. What quantity do you annually use?—About 24,000. I may state that I have devoted a good deal of attention to testing Nova Scotia coal. I have made hundreds of tests with the object of ascertaining the best coal for the purpose, and so

far as its value for gas-making purposes is concerned the best grade is about on a par with Newcastle gas coal.

Q. Are you able to obtain coal from Nova Scotia cheaper than English coal?—No, we could get English coal laid down at twenty shillings sterling.

Q. That is about \$5?—Yes.

By Mr. Goudge:—

Q. Have you had offers?—Yes.

By Mr. Dymond:—

Q. You have had offers of English coal at about \$5?—Yes.

Q. What is the reason then that you have preferred Nova Scotia coal at \$5.50 to English coal at \$5?—It is exceedingly difficult to get the best class of English coal; there is such a demand for it. Another reason is that our Board prefers, if it can be done without detriment to the Company's interest, to use Nova Scotia coal.

Q. Do you find that the supplies of coal from England are fitful rather than regular?—Yes.

Q. Do you obtain particular advantages by coal being brought out as ballast from England?—Well, that is really one reason why we can obtain coal so cheaply.

Q. Practically, then, you can hardly take English rates as market prices?—No.

Q. Have you made experiments with American bituminous coal?—I have had no personal experience with American coal, though I know well what the results of such experiments have been. There is no comparison as to quality. One great drawback of Nova Scotia coal—and I may explain it because our Company spent something like \$100,000 to overcome that difficulty—is that it is so frightfully full of pyrites and sulphur. We have special contrivances for purification, which cost \$100,000 for lime alone.

Q. That difficulty does not exist in English coal?—No.

Q. Nor American?—The sulphur in the American coal is about on a par with the English.

Q. That is so far as purity goes your preference is for American or English coal?—If we could insure our getting the class of English coal that I used in London when there, we would have that in preference to Nova Scotia coal. With American coal the price is against us.

Q. What is the rate of American coal of the same quality as that now producing?—I cannot give you the figures.

Q. Can you approximate for the last twelve months?—American coal would cost from \$1.50 to \$2.00 more.

Q. Is that owing to the higher cost of freight to Montreal?—Yes.

Q. You are not so favourably situated in Montreal as we are in western Canada, with regard to the bituminous coal of the United States?—No.

Q. So that so far as you are concerned the imposition of a duty on American coal of fifty cents would not have the slightest results?—Not the slightest.

Q. Does Nova Scotia coal produce superior coke?—No, not at all. The Pennsylvania coal used in American and Canadian gas works is quite equal, if not superior to Nova Scotia coal.

Q. What is the price of gas in Montreal?—\$2.50.

Q. What is the product of gas from the coal you consume?—We get about 8,500 per long ton of 2,240 lbs.

Q. You heard Mr. Littlehall's evidence as to what he obtains from American coal. Do you consider that the figures he gave were excessive?—No, not at all; on the contrary, the general estimate of that class of coal is an average of 10,000 feet; Nova Scotia coal is more valuable for gas-making purposes when freshly mined. During the summer we can get 9,000, or perhaps a little more, but I give you the average for the year.

Q. Your coal is all brought by water?—Yes.

Q. Is coal usually delivered in good condition?—Yes.

Q. There have been statements made that coal is sometimes sent from Nova Scotia in a careless and reckless manner?—We had great cause to complain in that

respect. For gas-making purposes fresh coal is a great desideratum, but we find that in making up contracts, they put fresh and old coal in together. We now keep an agent at the mines to see that the coal is sent off fresh.

Q. Has the price of gas in Montreal fallen during the last year or two?—Yes.

Q. What dividend did your company pay?—Ten per cent.

Q. Limited to ten per cent?—No, no limitation.

Q. With some of the drawbacks which you have mentioned, you are satisfied with your arrangement for the use of Nova Scotia coal?—Yes, one great disadvantage of Nova Scotia coal is this, that it heats when it is stored *en bloc*, as we are obliged to store it. Three years ago we had 7,000 tons that fired in store. It was nearly all destroyed, and the roof burned off the storehouse. On a late occasion the same thing happened. Now we have extensive sheds, and the coals are not more than eight feet deep. Since we have done that, we have had no difficulty.

Q. Have your proprietary an interest in any Nova Scotia mines?—No.

Q. Having no interest in using it, but having balanced the advantages and disadvantages, you find the result to be on the whole favourable?—Yes.

By the Chairman :—

Q. What percentage is there of sulphur in your Nova Scotia coal?—That I am unable to determine, but I may tell you what occurred a few weeks ago. We had last year about 5,000 tons of English coal. In passing the coal through the purifier we found we could purify with one oxide purifier 13½ million feet of gas, while the Nova Scotia coal gave something under six millions. That practical test shows pretty correctly that there is about 100 per cent. more sulphur in the one than the other.

Q. Which of the collieries have you taken coal from?—Chiefly from the International; also some from the Caledonian Blockhouse, and others.

Q. Is the International coal the best for gas purposes?—The grades are so much alike it is difficult to say. We have found on the whole that the International is the most advantageous, not so much on account of its being a better quality of coal, as that there is a better harbour there, and ships coming from England with cargoes drop in there.

Q. Then you don't prefer the International coal because it is a better coal, but because it is more accessible?—Yes.

Q. You have only tried some two or three of the coal seams?—Practically or experimentally I have tried, more or less, every one of the mines.

Q. Did they give any percentage in excess—a larger number of cubic feet to the ton than the International?—No, they are much about the same.

Q. You say you had some difficulty at the International mine about getting fresh coal?—Yes.

Q. Is not that mine an exceptional circumstance; is not the proprietary lease hold?—Yes, there was a difficulty between the proprietors and the lessee.

Q. The lessee was not so much interested in giving a good character of coal as in disposing of a large quantity?—I may say that generally it is an advantage to load with bank coal, if it can be done. In summer there is a great demand, and in spring there is none. They get a quantity and bank it. If the requirement is for steam one is as good as another, but not for gas.

Q. But is not this mine exceptionally situated in so far as its proprietorship is concerned; are there not extra inducements offered by the persons who have it in order to dispose of large quantities, they not caring so much as to the character they establish for their coal?—We found the same difficulty with other mines.

Q. Did you say you got almost all your supplies there?—We got the largest portion; not all of it.

Q. Were there other kinds of coal with which you experienced this difficulty of heating and taking fire?—No, we had no other.

Q. You say that on the occasion on which the coal got heated you had no other Nova Scotia coal on the heaps?—No other.

Q. Do you take round coals?—They are just as mined, except that they are passed through a small screen.

Q. Can you tell what the coal costs free on board?—No, that is not my department, but the Secretary's.

Q. What does it cost to the harbour at Montreal?—It costs, I suppose, something like twenty cents less than the figures I have given you.

Q. You do not know how the \$5.50 is made up?—No.

Q. Would it surprise you to know that it costs \$2 free on board and something under \$2 freight to Montreal?—I cannot tell you how that is made up, only that is about our prices.

Q. Have you used any coal from the Albion mine?—A little.

Q. How did you like it?—We did not think the production was as good as from other mines.

Q. How did the coke turn out; did you find that the coal had high coke-producing qualities?—I think it was about a fair average.

By Mr. Tupper :—

Q. With reference to the question of sulphur, do you find that what you have said applies to the Pictou coal?—What coal do you refer to at Pictou?

Q. The Albion?—Yes.

Q. Was not it free from sulphur?—I cannot remember that.

Q. Have you tried the Springhill coal?—No.

Q. Are you aware that Sir William Logan, after an elaborate analysis, has pronounced it as free from sulphur as the best Newcastle?—I have no knowledge of it myself.

Q. On the occasion on which your coal took fire it was in a large block?—Yes.

Q. Since you have reduced it you have not met with that difficulty?—No.

Q. You say when coal is fresh you get about 9,000 feet?—Yes.

Q. After being in store you get about 8,500?—Yes.

Mr. LITHGOW was re-called and examined.

By Mr. Sinclair :—

Q. Do the miners consume a great many dutiable goods in proportion to their number?—Well, yes, they use, of course, a good deal of spirits, tobacco, as well as eatables.

Q. Is the principal part of what they use dutiable?—Yes.

Q. The coal trade is now in a state of depression?—Yes, in a state of great depression.

Q. What do you suggest as a remedy?—I think the most legitimate remedy would be the imposition of a duty, we ask for 50 cents per ton or 17½ per cent., either one or the other.

Q. What effect would that have upon your trade?—I think it would give us the market in Canada.

Q. If your coal shipments were doubled or quadrupled, could you sell at less than \$1.75?—Yes, we could.

Q. At a much less sum?—Our price is pretty low, at present, but I have calculated that if, for instance, we sold 60,000 tons, we could make four per cent. on the capital stock if we sold at \$1.50. As compared with 30,000 tons it would make a difference of about 20 cents per ton.

Q. Then in fact you could sell 60,000 tons for 20 cents per ton cheaper than you could sell 30,000 tons?—Yes.

By Mr. Tupper :—

Q. What is the capacity of your mine?—We used to ship much more than we do now.

Q. But if you had a demand what could you ship?—I don't think we could exceed 60,000 tons, but if we could ship 60,000 tons this year it would prepare us to ship perhaps double that quantity next year.

Q. What advantage do you consider Ontario would derive by your being able to send coal, say as far west as Toronto?—If we could increase our market either with

the Upper or the Lower Province, very naturally it would give them an increased market for flour and other goods. It would probably help Ontario by bringing the American coal and ours into competition. I think, probably, it would have a tendency to keep down the prices of American coal. They would do their utmost to command the Ontario market and we would do our best to meet them.

Q. You think the consumer would not pay much more than now?—In certain localities he would perhaps. He would for instance, in this city. I believe now we could compete with American coal in Ottawa without any duty. From what I have heard I think so.

Q. Do you consider the coal mines of service to Nova Scotia in the way of bringing trade?—Yes; It enables the Grand Trunk line of steamers touching at Halifax and other ports, to obtain their supplies much cheaper than if the coal had to be imported. By these steamers obtaining their supplies offered at a cheap rate they would be enabled to carry their freights at a much lower rate than if they had to pay more for their coal.

By the Chairman:—

Q. Can you tell the aggregate amount paid by the collieries for the last six, eight, or ten years for wages?—In 1865 the expenditure by Little Glace Bay—

Q. I mean for all the collieries; can you tell the amount of capital in all the collieries?—I have seen it estimated at twelve millions.

Q. Is that a close estimate do you think?—It is impossible for me to say as to the amount.

Q. Is it based on good authority?—I consider it good authority; Mr. White and Mr. Rutherford present a statement to that effect.

Q. What is the amount of wages paid out per month annually in past years?—In 1876 the Glace Bay Company's pay-rolls amounted to \$21,000; it cost seventy-four cents per ton for mining the coal.

By Mr. Dymond:—

Q. Then if we were to take the gross production of coal at 75 cents, we would approximate to the wages pretty closely?—It would amount to \$1 per ton on the average in all the mines; I think in one year Nova Scotia raised about one million tons; the amount of wages in that year would be about one million dollars.

By the Chairman:

Q. Are these wages paid in cash?—Yes; always—or, at all events, it is exceptional when it is not the case; we have never paid them otherwise.

Q. There is mention made in Poole's Report of something over one million dollars having been unnecessarily expended, and one instance is cited—the construction of two harbours at Big and Little Glace Bay. Do you consider that one would have been sufficient?—I believe it would now when so small a coal trade is being done.

Q. But when it was constructed, and shortly after, was there room in the harbour for any other business than yours?—My opinion is that there was.

Q. Was there room sufficient to accommodate the business of the Caledonian in addition to your own?—That is a question.

Q. Poole says there was?—I am not prepared to say whether there was or not. Some thought there was not, and that they would interfere with each other, and they came to the conclusion that it would not answer.

Q. Is not Little Glace Bay a small narrow bay; is it not filled with vessels during a brisk season?—It has been.

Q. How then can there be a doubt on your mind as to its being large enough?—It could be enlarged. The President of the company was always opposed to the Caledonian shipping there for fear there would not be accommodation for both mines.

By Mr. McGregor:—

Q. And that there would be a little rivalry between the two?—Possibly there might be something of the kind.

By Mr. Dymond:—

Q. You stated that the capital invested in the mine was \$600,000?—That is the capital stock.

Q. Can you tell us how that is represented?—It is represented by the estimated value of the mining leases, harbour, real estate, and stock on hand.

Q. When did this mine come into the possession of the present owners or lessees?—The original proprietor of the mine is now the owner of nearly one-third of it.

Q. When was the present company formed?—It was in 1861, I think.

Q. At that time was the business promising and somewhat profitable; was the mine well developed?—No; the original proprietor sold one-half of it to some American gentlemen; then the harbour was opened and the mine developed. Previous to that he had done little.

Q. Was that when your company became possessed of the mine; in 1861 there was comparatively little expended on it?—Very little.

Q. What did the company give the original proprietor for his share?—He sold one-half for \$75,000.

Q. Is that the only premium paid on the mine itself on of the \$600,000?—They subsequently paid up \$60,000 more.

Q. Any since?—None since, but the proceeds of the sales of coal in 1872 and 1873 we used in developing the mines.

By Mr. Goudge :—

Q. You mean the profits?—Yes.

By Mr. Dymond :—

Q. Can you state how much of that \$600,000 represents premium or good will and how much actual plant or property?—I should say, probably about one-half.

Q. What were you charging for your coal when selling 84,000 tons in 1865?—\$2.40 gold, net.

Q. How did your working expenses in 1865 compare with your expenses now?—I judge from the fact that there was only \$75,000 made out of the 80,000 tons of coal that the expenses must have been greater. About \$1.50 per ton must have been expended, leaving 90 cents profit, and, therefore, as coal was sold at \$2.40, it must have cost about \$1.50, that is, including ten cents royalty.

Q. I see in a letter you recently wrote to the press you say that in 1865 a dividend was paid of \$75,000.—Yes.

Q. Was that on 84,000 tons of coal?—Yes.

Q. You paid over ten per cent?—We paid 12½ per cent.

Q. Equal to 25 per cent. on the \$300,000 actually invested in plant and working material?—Yes.

Q. Did you make any efforts then or subsequently to retain or obtain a fresh foreign trade by reducing price to something like the present?—Our prices were reduced subsequently, but that coal was almost exclusively a gas coal, and for that kind of coal it is difficult to obtain other markets than the United States. We reduced prices very rapidly. In 1865 the price was \$2.40, and in the following year it was about \$1.70.

Q. Quite as low as now?—About the same; after that we reduced it as low as \$1.34.

Q. Since you have obtained such small dividends have you gone minutely into the cost of working the mine?—Yes.

Q. Have you been able to economize in the rate of production?—We economize by expending nothing more than we possibly can. It is pretty low and we require a year or two of good business to build it up.

Q. Are you cognizant of communications passing between the different managers of the mines with a view to a more general economical system of work?—No.

Q. You have not met for that purpose?—No.

Q. Or any other purpose?—Only for the purpose of agitating for this additional duty on coal.

Q. I think you have stated in one of your letters that you regarded the present tariff as unjust?—Yes.

Q. Have you any complaint to make against the royalty charged by the Nova Scotian Government?—No.

Q. Did not you complain in one of these letters that it was an injustice?—I think not. I think the Province is well entitled to it, and would be very foolish to give it up without compensation.

Mr. DYMOND then read the following extract from a letter written by Mr. Lithgow to the *Acadian Recorder* :

"Everybody with a conscience feels that it is not just that the home-produced article should pay ten cents per ton into the Provincial chest and 17½ per cent. on the locomotives, engines, wire, rope, shovels, picks, riddles, powder, dynamite, olive oil, packing, rubber, &c., &c., used at the mines, and yet the foreign article be admitted free of duty, and that to the exhibit of nearly 800,000 tons (coal and coke included) in a single year."

Q. As an element in this injustice, do you allude to the ten cent royalty?—No, it does not bear that construction.

Q. It is simply in fact a rental?—Yes; the local revenue is now suffering on account of the depression in the coal trade.

Q. Have you read the resolution of the Hamilton Board of Trade, which has been referred to by the Committee, proposing a readjustment of the tariff?—I have heard it read.

Q. Are you favourable or unfavourable to increasing the duty on manufactured goods, assuming that a duty is placed on coal?—My impression has been that 17½ per cent. on coal would not answer unless the 17½ per cent. generally—

Q. 17½ per cent. is about 50 cents?—Yes; about that on an average. It has been my impression that the duty we ask for on coal would not answer without an increase of the 17½ per cent. generally. I thought, however, that if it were found that a duty on coal would press heavily on the industries using coal, the duty on coal might be used to increase the duty on the articles produced by those industries.

Q. Your complaint was, however, of the existence of the 17½ per cent. duty on all those articles used in your trade?—I complain because we come into competition with free coal. I would not complain if we had protection to our coal. For us to pay 10 cents to the Province—

Q. But you do not complain of that; that is only a rental?—We do not complain of it; but to pay ten cents to our Province, and 17½ on articles we use in mining, and to be subjected to an unjust competition with the coals from England and the United States, we do complain.

Q. Are you aware that American mines in many cases pay royalty?—I believe they pay what is equivalent to the royalty.

Q. Are you also aware that all manufactured goods in America, whether used in mines or not, are heavily taxed?—There is a heavy duty; but they are manufactured in the country, and manufactured cheaply.

Q. Are not many goods you use manufactured in that country?—Yes.

Q. Cannot you buy shovels, picks and other articles of Canadian manufacture as cheaply as from the United States?—The shovels we use are imported from England. We have never bought Canadian or American manufactures.

Q. Don't you know that these various materials are manufactured in Canada, or the bulk of them?—I cannot say that I know it.

Q. Ropes, chains &c?—Wire ropes are not, I don't know that chains are.

Q. Do you import any of these materials from the States?—Some of them; dynamite, fuses, &c.

Q. The larger amount comes from England?—Yes.

Q. Then you have no reason to believe that the miners of the United States procure their materials more cheaply than you do here?—I don't think there is much difference. In England there is a great difference.

Q. When you speak of foreign or imported coal, is it English coal that you feel comes into injurious competition with you?—I refer to both, though the English mines have a very great advantage over us, because the miners get nearly every-

thing they eat and drink free of duty, as well as the engines, locomotives, and all the materials at a very cheap rate.

Q. Then it is chiefly as respects English importations that you make complaint?
—No; it is both. Both coals enter into competition with ours.

Q. What about the duty on materials?—We don't complain of the duty on materials if imported coal were not free. If we had 17½ per cent. on our coal we would be satisfied.

Q. Then you don't complain of the royalty, or of the existing duty on materials, provided you had 50 cents duty on coal?—That's it.

Q. On what ground then, taking the whole proposition that you have laid down here, do you think the 17½ per cent. duty presses heavily on you?—On the ground that imported coal comes in free.

Q. And on the ground that you could not carry on your trade without the 17½ per cent. goods that form part of your materials?—We cannot carry on our trade without them.

Q. Is not coal a very important element in the production of nearly all our manufactures, and consequently the manufacturer taxed for his coal will be in the same position as the coal miner taxed for his material?—Yes.

Q. Would you propose that that duty should be placed on all coal coming into the country; the resolution of the Hamilton Board of Trade, which has been referred to, points to a duty not only on manufactured goods and coal, but on bread stuffs; would you be prepared to pay a duty of 50 cents per barre on flour?—I think Nova Scotia would not object to that. I would go for it cheerfully. If we had a duty of 50 cents per ton on coal I don't think it would add much to the price of the bulk of flour that is consumed.

Q. Now, assuming that we were to put a duty on manufactures we should reduce our importation of these goods, would we not; your view would be to increase the manufactures at home; that is your view in making the suggestion?—Yes.

Q. I observe that in a postscript to your letter you make some remarks on the character of our tariff as compared with the British tariff. You especially admire the simplicity of the British tariff, which reduces the customs dues to a very few articles?—I do.

Q. What is your idea as to a re-arrangement of the tariff to meet your views?—I would increase the 17½ per cent. on silks, satins, velvets, and such articles, and make a reduction say on sugar, molasses and coal oil.

Q. That on coal oil has been reduced?—I would reduce it still further.

Q. You would place a heavy duty on silks, satins, velvets, and goods of that kind on the ground that they are luxuries?—Yes.

Q. Your proposal is founded on the idea that these are luxuries?—Yes. On looking over the 17½ per cent. list I see many articles on which the duty might be largely decreased, and others on which an additional duty might be imposed.

Q. When the duty is increased on luxuries, wouldn't the result be a considerably diminished importation?—That might be a consequence.

Q. And that would lead to a diminished revenue?—I don't think that follows.

Q. Is your proposal to place increased duties on all these goods to the extent of the American duty, in order to retaliate upon the Americans for their policy?—No, I have no idea of that sort.

Q. You don't advocate that policy?—Not specially; I have no special reference to imitating the Americans in that respect.

Q. The result of your proposal would be to reduce the income of the State from sugar, and to reduce the income also on silks, satins and so on?—No; it would be to increase the income from many of those articles that now pay 17½ per cent. I don't see that the imposition of a duty on these articles would reduce the revenue.

Q. Is not silk plush used in many articles of manufacture?—Yes.

Q. Would not a small increase of duty on articles of that kind seriously affect the manufacture of certain goods?—If it did I would say put a larger duty on the manufactured article.

Q. Then, in the first place, you would put a duty on what might be termed the raw material, and then a higher duty on the manufactured article?—Yes.

Q. And so enhance the price to the consumer?—That was not my idea. My idea was that silks, satins and velvets are made up into dresses which are worn by people who can afford to wear them.

Q. The question is whether your theory of putting a duty on the raw material and then on the manufactured article would not immediately raise the price of the manufactured article to the consumer?—I do not regard silks, satins and velvets as raw material; not as a general thing.

Q. You would tax the whole coal, anthracite as well as bituminous, coming into Ontario fifty cents a ton?—Yes.

By Mr. Tupper :—

Q. Do you regard the coal mining industry as one of the most important in Nova Scotia?—Yes; as the most important.

Q. Looking at the future there is nothing that would tend to the development of the general trade of the country and the general prosperity of the country so much as an improvement in the condition of the coal trade?—Nothing.

Q. Would it have, in addition to the general effect upon trade, a large and valuable influence upon the shipping industry of the country?—It would most certainly.

Q. It would require a large tonnage and would cost an increased demand for shipping?—Yes.

Q. You believe that a duty of fifty cents per ton on imported coal, or seventy-five cents bounty on coal shipped to the United States would have the effect of stimulating that industry?—I have much more confidence in a duty than in a bounty.

By Mr. Goudge :—

Q. Why?—The bounty would only enable us to gain a market on the American side, while a duty would eventually enable us to gain a very large market in the Dominion of Canada.

By Mr. Tupper :—

Q. Do you consider that it is of still greater importance to produce in our condition a large inter-provincial trade by the exchange of the products of the east and west than anything else?—Yes; and I think a duty would lead to a large inter-provincial trade, that would tend to improve the condition of the Dominion as a whole. It would open up a trade between Canada and the Lower Provinces.

Q. You think the effect of the duty would be largely counterbalanced by the fact that vessels would be enabled to have freight both ways?—I have no doubt that a duty would help freights both ways. The increased out-put of coal would give an increased market for Canadian produce. That would give us down freights and there would be coal freights in return.

Q. What was the export of Nova Scotia coal to the other Provinces in 1869?—The export from Nova Scotia to the neighbouring Provinces was 129,097 tons.

Q. What was it in 1870?—162,977.

Q. Do you attribute the large increase to any extent to the duty of 50 cents per ton imposed in 1870?—It seems natural to suppose that the increase was owing to the duty.

Q. What was the amount in 1872?—168,577.

Q. Could you tell me what amount of coal was shipped to the Upper Provinces—Quebec I include as one of them—in 1869 from the Gowrie mine?—I have ascertained that it shipped to the Province of Quebec 3,700 tons, and 9,000 in 1870.

Q. Do you attribute that large increase of trade between Nova Scotia and Quebec to the imposition of a duty?—The proprietors of the Gowrie mine inform me that the effect of that duty in 1870 was that trade was generally stimulated by the duty, and that the trade with Canada was trebled in consequence.

Q. You have stated that you believe that the people of Nova Scotia would not object to an increase of duty on Canadian industries, if it was accompanied by the

same principle being applied to the coal imported into the Dominion?—I do not think I stated that.

Q. The Hamilton and Toronto Boards of Trade have passed resolutions declaring that they would not object to a duty of fifty cents per ton on bituminous coal, if attended with the application of the same principle to the agricultural and manufactured products of Canada. Would you prefer that policy being adopted to matters being left as they are?—I would certainly prefer that being adopted.

Q. You complain of it as an injustice to Nova Scotia, that the great coal-mining industry of that country should be left open to the competition of coal coming in here from abroad; while, at the same time, Nova Scotia is obliged to pay on the petroleum industry of Ontario?—Yes, I do think it is an injustice. I think Nova Scotia coal should be entitled to as much consideration as Ontario coal oil.

Q. The duty on petroleum is about 33½?—Yes.

Q. The duty is about six cents; the price of the raw material is about twelve cents; so that, in fact, the petroleum industry of Ontario had a protection of about fifty per cent.?—I have not considered it to be so much.

Q. Do you consider that the petroleum industry of this country is of as much importance as the coal interest?—By no means.

Q. Do you regard it as unfair that the petroleum interest should have a large protection while the coal interest has none?—No; I consider it as something outrageous.

Q. You consider that the revenue of this country would be largely increased by the increased stimulus which the imposition of a duty would give to the coal trade?—I do.

Q. The consumption of the dutiable articles, such as tea, sugar, tobacco, spirits, on which the duty is very high, would be largely increased by a large production of coal?—Yes; including molasses.

Q. You represent the Glace Bay coal mine?—Yes.

Q. That coal is superior for steam, gas and domestic purposes generally?—Yes.

Q. Is it true that you have published advertisements offering to furnish that coal free on board, for the Toronto market, at \$1.50 per ton?—Yes, for the Ontario market, indeed I may say for Canada.

Q. Do you know what is the average *per capita* of customs dues paid by the Provinces of Ontario and Quebec?—I took it from the Trade Return for 1876. The average *per capita* of customs dues paid by Ontario and Quebec for the nine years beginning in 1868 and ending in 1876 is put down at \$30.96.

Q. What is the average amount *per capita* paid, during the same period, by the Province of Nova Scotia?—For Nova Scotia and New Brunswick it is \$33.06.

Q. That is, they have paid \$2.10 per head more than the people of Ontario and Quebec?—Yes.

Q. Is that an additional reason why a great industry, so important to the whole Province, should receive as great consideration as an Ontario industry?—Nova Scotia and New Brunswick have paid, during the past nine years, \$2.10 more than Ontario and Quebec. The population of Ontario and Quebec is something like three millions, and if they had paid in the same proportion as the other two Provinces of customs dues they would have paid between six and seven millions more customs dues than they have. The average of Nova Scotia and New Brunswick is \$756,000 more than the average of the two Upper Provinces.

Q. Since the Union of these Provinces, has there not been a very large increase in the amount of the imports into Nova Scotia and New Brunswick from the Upper Provinces?—Unquestionably.

Q. It was stated at from \$300,000 to \$500,000?—I am not posted on that point.

Q. You are generally aware of the fact?—Yes.

Q. You heard Mr. Morrison's testimony, that it had increased from one-half a million to three and one-half millions?—I believe that to be about correct.

Q. Do you consider that the fact that the Lower Provinces have furnished an

increased market for Ontario and Quebec, gives the former a strong claim for the consideration of the great coal mining industry?—Yes; certainly it does.

By Mr. Goudge :—

Q. What amount of Nova Scotia shipping is employed in the carrying of coal to the United States?—Last year the shipments were only 71,000 tons, and consequently the amount of shipping to the United States was small.

Q. Was that principally Nova Scotia ships, or, were they American bottoms?—There were very few American vessels last year.

By Mr. Tupper :—

Q. You stated that in 1873 more than a million tons were raised in Nova Scotia; how many tons of shipping would that employ?—About one and one-third tons of coal to the registered ton of shipping, or about 350,000 tons of shipping to 600,000 tons of coal.

Q. That would be nearly 700,000 tons of shipping to convey one million tons of coal?—Yes; if it had all been shipped, but it was not.

Q. In 1873?—The shipments would probably be from 700,000 to 800,000 tons.

Q. How many tons of shipping would that take?—350,000 tons carries about 600,000 tons of coal. It would take from 450,000 to 500,000 tons of shipping.

Q. You spoke about certain industries being helped by a 17½ per cent. duty; name some of them?—Industries that largely consume coal, such as iron manufacture.

Q. What you complain of is this: You say there is a 17½ per cent. duty on almost all articles which enter into operations in connection with coal mines. This was met in this way: that it was true that that might be so, but these same articles are largely consumed in our manufacturing industries. Your reply to that is: that these very manufacturing industries have a protection of 17½ per cent. Mention what industries have this protection. What industries have you in your mine?—Foundries pay 17½ per cent. on imported castings, pig iron is free. Broom factories import broom corn free, and brooms pay 17½ per cent. Furniture factories import woods free, but there is 17½ per cent. on imported furniture. Nail factories pay five per cent. on iron, and there is a duty of 17½ per cent. on nails, only leaving 12½ per cent. I think the protection of iron should be more than this. In the case of a duty on coal, I think they are entitled to much more protection.

Q. You have named certain manufacturing industries that receive protection of 17½ per cent. Do you recollect others?—There is the manufacture of locomotive engines, boilers. They import such parts of these as they cannot manufacture. Certain parts are free, and locomotives and engines pay 17½ per cent.

Q. Tobacco?—That is protected by the difference between the customs and excise duty.

By Mr. McGregor :—

Q. Do you know the amount of coal shipped to Canada nine or ten years ago from your Province?—I do not. Returns were not kept previous to 1873. I can give you those for British North America, in 1869, 179,000; in 1870, 162,000; in 1871, 163,000; in 1874, 338,754; in 1875, 381,711.

Q. Would Newfoundland consume 70,000 to 80,000 tons?—No, not so much.

Q. On the whole there has been a steady increase?—The coal shipments have fallen off in 1876; they were less than in 1875.

Q. You account for that by the general depression; they were not using so much coal?—I should say it was owing to the increased imports from the United States.

Q. Was not the coal trade in 1870 stimulated by the high prices in England?—No, I don't think so.

By Mr. Goudge :—

Q. We must have competed with English coal rather than American?—The imports of American coal have largely increased.

By Mr. McGregor :—

Q. How much more coal would you be able to sell to the Dominion than now if you had a duty; how many more markets would it open?—It would be a work of

time; but there would be a very large increase in our sales I think in a year or two. We would increase our sales in Canada by 200,000 or 300,000 tons.

Q. Do you think you could go further west than Toronto?—I would not be prepared to say at present.

Q. Would it, in your opinion, be for the interests of the miners to have a duty both on hard and soft coal?—I think so. Hard coal comes into competition with soft coal. The coals of Picton would take the place of hard coals to a great extent if there was a duty.

Q. Would not but a small portion of Ontario pay that duty?—Probably so.

Q. Because they could not have the competition?—Yes, I suppose that would be the case with the western parts of Canada.

By Mr. Sinclair :—

Q. You say that in 1873 you raised about one million tons in Nova Scotia. What did you raise last year?—Over 700,000 tons.

By Mr. Dymond :—

Q. You have already stated that your exports into Old Canada from Nova Scotia, of coal have very largely increased until last year since 1870?—Yes, until last year, when there was a decrease.

Q. Well, even taking the reduced demand of last year the sales of Canada would be double what they were in 1870. You gave them 162,000 tons in 1870, and 338,000 in 1876?—No, it was 338,000 in 1874; that is double of what they were in 1870.

By Mr. Tupper :—

Q. Do you know what difference there is between the importation of coals from abroad into the Dominion during the year that the duty of fifty cents existed?—I am not aware, I have not been able to make out satisfactorily, but the increased export of coal into Quebec was 341,000 tons.

By Mr. Dymond :—

Q. You have already stated that there was a considerable increase in the year in which the duty was imposed, and you also stated that the sales to Canada had continued largely to increase since the duty was taken off?—Yes.

Q. In fact they have been enormously in excess, when there was no duty of what they were when there was a duty?—The increase of 1871 over 1870 was about 5,600 tons.

Q. But the sales continued to increase?—Yes.

Q. Is it not a fact that trade generally commenced to revive about 1869 and 1870?—I cannot speak definitely about that.

Q. Have you a general knowledge that such was the fact?—I don't know that I have.

Q. Do you know if any coal from Nova Scotia was sold in Ontario in 1870?—Only by report.

Q. Do you know that there was no sale in 1870?—By report.

Q. In 1870?—I have understood so.

Q. Do you know of any coal being sent to Toronto in 1870?—I do not.

Q. Did you hear a gentleman state this morning that American soft coal did not come into competition with Nova Scotia soft coal in Montreal, and that a duty of seventy-five cents would have no effect?—I did.

Q. Are you prepared to say that the fifty cents duty had any effect on American importations into Quebec?—I am not.

Q. Had it on your shipments of coal from Nova Scotia to Quebec in 1870?—I have it on the authority of Mr. Archibald that they sold more in 1870 than in 1869, and they say it was the effect of the duty.

Q. You say that the increase in the trade of coal would have a large effect upon the shipping trade. In what direction does your remark point?—In the direction of Canada principally.

Q. You have that trade now so that it would be simply an increase over present sales to Canada?—Yes.

Q. Do you say that it would have the effect of producing a considerable additional inter-provincial trade?—Yes, it would have that effect.

Q. Are you aware that a large amount of the goods sold by the Upper Province are of a costly and perishable nature?—I cannot say as to the amounts of each kind.

Q. Is not the railway freight preferred to a large extent over water freight for these kinds of goods?—For some classes of goods; yes.

Q. Have you any idea as to the weight of goods forwarded to Nova Scotia from Montreal and Ontario—the tonnage?—I have not.

Q. Then you cannot say as to how far the shipment by water from Upper Canada and Montreal would be equivalent to the shipments of Nova Scotian coal?—I should judge that the bulk of the articles from Upper Canada would be less than the bulk of coal which we would send up.

Q. Would a large proportion of that bulk be likely to come by Intercolonial Railway?—Bulky articles, such as flour, would come by water.

Q. Is not flour one of those articles which it is preferable to send by rail?—No, I think importers prefer it sent by water.

Q. The increase in freights inwards to you would be only partially represented by the increased outward freights of coals, from those causes, the character of the goods and the railway competition?—Yes.

Q. You say that a trade with the United States in coal would largely increase the usual shipping of your ports; would that extend beyond the mere tonnage of the coal carried?—Do you mean, would it extend our trade?

Q. Yes. You say it would extend your shipping trade; do you expect any advantages from your coal trade to America beyond the tonnage of the coal carried?—There would be the advantage of having our vessels employed at home.

Q. If these vessels took coal to the United States, what would they bring back, American produce?—Of late years most of the American vessels have taken freights there for the foreign market. Freights have been low, and they have calculated on calling on their way from England and getting a cargo for the United States.

Q. Then the freights from Nova Scotia would have to be low to be an advantage to the shipping?—Well, they require to be low now in order to enable us to compete.

Q. You mean that if they didn't carry coal they would carry nothing?—Yes. I may say that I was surprised at Mr. Cathel's statement with respect to the prices of Nova Scotia coal delivered to the Montreal Gas Company. We have offered to deliver the same coal he speaks of—the International—at \$3.50 per ton at Montreal to the Gas Company, that is exclusive of any expense but the cost of the coal free on board. How it should cost them so much more, I am unable to make out. We authorized our agents to offer it at \$1.50, or delivered in Montreal \$3.50, exclusive of insurance.

By Mr. McGregor:—

Q. Isn't that less than you have offered it at other times?—No, we sold to American parties at that rate.

By Mr. Dymond:—

Q. Don't you think if you had offered coal at \$1.50 per ton four or five years ago, you would have retained a market which you have lost?—Five or six years ago—previous to 1873, we sold at a lower average than \$1.40

Q. Do you ever send shipments on account?—Yes, to Montreal.

Q. Not to Toronto?—No.

By Mr. Goudge:—

Q. You don't fear competition in Montreal even with the duty?—No, not in the least.

Mr. MORRISON, recalled.

By the Chairman:

Q. You mentioned the importation of flour from Ontario into the Province of Nova Scotia. Can you give a statement of the importations of flour and other similar articles from the United States?—About 103,304 barrels. There, is along with the importations of flour, 90,525 barrels of meal.

Q. Do you consider that in case there was a trade in coals between Nova Scotia

and Ontario, that a portion large or small of that trade would be taken from the United States and come from the Province of Ontario?—Yes, and there are other commodities upon which there would be the same effect.

Q. You are satisfied of that?—Yes.

Q. What other articles are now imported from the United States?—Pork and beef are large items. Kerosene oil, lard, and cheese are the leading articles.

Q. If we were able to pay for them in coal, we could get them from Ontario?—Yes, they would come to nearly one and one and a-half millions.

By Mr. Dymond:—

Q. Are you aware that there is a duty on many of those articles, which you would obtain from Canada duty free?—Yes.

By the Chairman:—

Q. You spoke about inter-provincial trade the other day, what are your views about the West Indian trade, how it would effect the Province of Ontario?—I think the Province of Ontario might do a large West Indian trade. In looking over the trade returns of the United States for 1876, I find no less than six or seven leading articles which they exported to the British West Indian Islands, to the amount of \$14,000,000. These are all products of Ontario, namely, pork, beef, flour, oats, lard, butter and cheese. Though the flour of Canada is not suitable for the West Indian trade, it could be made so by the millers.

Q. What is necessary to make it suitable?—I had orders from the Imperial Government to send out some Canadian flour if it would stand the climate. I sent out some of what I thought was the very best Canadian flour, but I found it would not stand the climate.

By Mr. Dymond:—

Q. Do you know what must be done to enable it to stand the climate?—No, I don't.

Q. There is no difficulty in the American millers grinding Mississippi wheat and sending the flour there?—No.

Q. Then if we have free trade with the United States in wheat, we could grind their wheat for export?—Yes, I suppose so.

Q. You cannot say of your own knowledge that only American wheat will stand the climate of the West Indies?—No, I cannot.

Q. Do you think our wheat could be put through such a process as would enable it to stand the climate?—Yes, I should think it could.

By Mr. Goudge:—

Do you know if the reason why our flour cannot stand the West Indian climate lies in the flour itself or in the preparation?—In the preparation, I believe.

Q. It is not in the growth of the wheat?—It may be so in some districts.

Q. Do you export many articles from the Province of Nova Scotia to the West Indies?—Principally fish.

Q. Do you get return cargoes?—We get sugar and molasses, but we send them chiefly to the United States.

Q. They are only partial ones?—Yes.

Q. If sugar was refined in this country there would be return cargoes of the raw material?—Yes.

Q. Sufficient to engage all the shipping yourselves?—Yes, and more than sufficient.

Q. Can you say if American flour could be shipped in bond?—Yes, it could. There is another important trade which I think the Province of Nova Scotia might have with Canada, and that is fresh fish. There is a company being formed in Halifax with \$600,000 capital to prosecute deep sea fishing and send the fish all over the Dominion packed in ice.

By Mr. Dymond.

Q. Is that the first effort of the kind that has been made?—Yes, so far as I know.

Q. Hitherto you have proceeded in rather a slow and old fashioned method?—I think we keep up with all the improvements in fishing.

Q. Your object in combining is to bring together a large amount of capital, use improved vessels and other appliances?—Yes.

Q. You would send the fish over the Intercolonial Railway?—Yes.

Q. Then we would have some freights even without coal in return for our produce?—Yes; but if you had coal the trade would be very much larger.

Q. Are you prepared to adopt a retaliatory tariff with the United States?—Yes.

Q. You would be prepared to put a duty of \$1.20 to \$1.25 on flour?—Yes; I believe it would be in the interests of the Dominion to have the same tariff as the United States.

By Mr. Goudge:—

Q. What would the people of the western portion of Nova Scotia think of that?—Well, the number is so small I don't think it would make much difference.

Q. Take the counties of Lunenburg, Digby, Yarmouth, Annapolis, Shelbourne, Queen's, King's, and Hants?—When you group them in that way they are important. The very western part of the Province produces little or nothing but potatoes.

Q. Can you tell me how much of the flour which you mentioned as coming from the United States—200,000 barrels—was imported into Halifax?—I cannot say, but I should think the western part of the Province gets the most of its flour from Canada, the upper portion would get its supplies chiefly from the United States; I suppose no more than 20,000 barrels.

Q. And Lunenburg?—Lunenburg draws its supplies chiefly from Halifax, though the leading merchants are also importers from Canada.

Q. West of that, don't they get their supplies principally from the United States?—The leading towns, such as Yarmouth, get their flour chiefly from Canada.

By Mr. Dymond:—

Q. And these people, who have only potatoes to sell, would pay some \$25,000 per year to carry out the policy you have in view?—Well, they would have their share arising from developing the industries of the country.

Q. Yes; but they don't raise coal?—They can build up manufactures.

Q. But I think you stated they raised nothing but potatoes?—That is their chief item.

Q. And they could build up manufactures, you say?—Yes.

Q. To encourage the building of manufactures, you would tax their breadstuffs and coal?—Yes; in reply to Mr. Goudge, I may say that perhaps he is not aware a large trade is now being done by boats going to and from the West Indies; goods are sent down by train from Halifax, and then shipped to the West Indies.

By the Chairman:—

Q. Those counties which you speak of as raising potatoes chiefly, also produce apples and other fruits, do they not?—Yes; I believe they do, I may say that the opening of the Intercolonial Railway will tend more and more to change entirely the direction of our importation of breadstuffs. Canada will have a better chance now than ever for that trade.

Q. Then why is American flour imported?—The amount is getting less every year.

By Mr. McGregor:—

Q. Do you think that the Intercolonial will greatly assist in the exchange of fish and your other commodities for our flour and the other products we have to sell; will it not create a large business in that way?—Yes; the whole exportation of Canada in the year previous to Confederation was not more than 2½ millions, now I calculate them to be from 7 to 8 millions; the former figure represents the exports of the whole British North American Provinces to Nova Scotia, the latter the Provinces of old Canada.

Mr. NOONAN was re-called and made the following statement:—With regard to the statements made as to the quantity of sulphur in the Pictou coal, I would like the committee to prove the matter by Prof. Howes analysis of that coal. He shows that the quantity is very trifling. About the expenditure of \$100,000 per annum on the Albion mine. That is simply an estimate and I think I am below the amount.

Mr. SAMUEL ROGERS, of Toronto, was called and examined:—

By Mr. Dymond:

Q. Are you a Canadian?—Yes.

Q. What is your occupation?—Coal merchant, as a member of the firm of S. & E. Rogers & Co., of Toronto.

Q. In what branch of the trade does your business chiefly lie?—Both in bituminous and anthracite coal, the produce of mines in the United States.

Q. Are you agents or dealers on your own account?—Bituminous coal for grate purposes we purchase in the open market; for anthracite we act as agents to the Butler Company, whose mines are situated at Pittston, Pa. The gas coal is from our own mine, the Reynoldsville.

Q. At what distance from Toronto is your supplies obtained?—The hard coal 300 miles and the gas coal about the same distance. The Briar Hill and Straitsville are brought a distance respectively of 270 and 380 miles.

Q. At what price can the best soft coal be delivered in Toronto—say Briar Hill—Briar Hill coal is about \$4; that would be making an average. Sometimes it is less and sometimes it is more.

Q. Is Briar Hill coal the most expensive?—It is considered the best grate coal in the city, and I believe it costs more there.

Q. Is it chiefly used for domestic purposes?—Yes; it is largely used for such purposes.

Q. Do you know the thickness of the vein in the Briar Hill mine?—About four feet.

Q. What does it cost to mine it?—Sixty cents per ton.

Q. How far is Straitsville mine from Cleveland?—A hundred and eighty-five miles.

Q. What is the thickness of the vein?—Twelve feet.

Q. What is the price on board the cars?—Ninety cents.

Q. Freight to Cleveland?—\$1.75.

Q. With an additional dollar to Toronto?—It would be the same as the Briar Hill coal.

Q. That would make it \$3.65 at the wharf?—That would be about the price. Sometimes it would be cheaper, but it depends a little on the dealer. That is taking the outside figure. It has been delivered, I believe, sometimes to the consumer at \$3.65.

Q. Are you acquainted with the working of American mines?—Somewhat.

Q. Have you ever worked a mine?—No.

Q. Have you frequently visited mining districts?—Yes; I was engaged in one district on a work that took me through most of the localities.

Q. You are interested in the Reynoldsville mine with your brother and another person?—Yes.

Q. Where is it situated?—On the Low Grade road. It is a new road from the Alleghany valley road to the Buffalo and Philadelphia road. It is an entirely new coal region.

Q. What is the railway called?—I think it is the Alleghany Low Grade road.

Q. Have a large number of mines been opened within the last few years in the Pennsylvania and Ohio districts?—Yes; in those new sections there have been a number of mines opened; I cannot say as to the number of fresh mines opened in Ohio; many have been opened of which we have no note. Coal crops out of the surface, and they are opened without much outlay or expense.

Q. The railways have been constructed concurrently with the increased number of mines?—Yes.

Q. What is the average yield of one of these American bituminous mines?—It varies very much; it depends altogether on the market. They could ship almost any amount from the mines if they had a chance to dispose of it—from 25,000 to 50,000 tons, to perhaps 300,000 tons, I should say.

Q. Can you give us approximately the cost of working these mines?—Many of them are worked very cheaply; we pay \$2,500 for the management of our mine.

Q. What would you say would be the cost of working an ordinary mine yielding say 100,000 tons per annum?—That depends on the amount paid to the miners, which varies very much; taking our own, we pay for management—that includes shipping the coal, clerks and so on—\$2,500, and then for the mining of the coal fifty cents per ton.

Q. 100,000 tons would cost you for mining \$50,000?—Yes.

Q. Then you have, in addition, managerial expenses, costs of works, works of construction, materials, and so on?—We are not shipping 100,000 tons; the management costs us \$2,500.

Q. Is the amount of capital usually sunk in these mines large?—As far as my experience and observation go, it is not very large; many of them are opened by just running into the slope of the hill, as the coal crops out to the edge; many of them are opened on a very cheap scale. Take our own mine, it is perhaps as extensive as most of those Ohio mines; it includes the railway, and switches to run the coal up to the railway, buildings, houses for the miners, and other improvements, which, if we had a market for the coal, would enable us to ship thirty or forty cars per day, that would be 300 tons and over, and the whole cost, including miner's switches, houses, railway, &c., with the iron the company supplies, would come in the neighbourhood of \$20,000.

Q. That would be the whole of the fixed charge?—That would cover the expense.

Q. Is a royalty paid in many cases?—Yes.

Q. Do you know the amount?—In some cases as high as thirty cents, and in others twenty-five cents.

Q. In many cases the proprietors purchase the fee-simple of the land?—I believe there are such cases.

Q. Many small mines are opened at a less cost than yours?—Yes.

Q. The geographical peculiarities of the country are favourable to the opening of mines cheaply?—Yes.

Q. You work on the face of the hill?—Generally.

Q. And, by the gravitation, you are able to economize in the handling of the coal?—Yes.

Q. What is the rate of your contract with the Toronto Gas Company?—\$4.80, delivered.

Q. What is the quantity?—500 tons per month.

Q. They are how much?—10,000 to 12,000 tons per year.

Q. Have you bituminous coal used for steam purposes as nut coal?—Yes.

Q. What can you lay it down for?—We have laid it down as low as \$3.65, but that was exceptional; \$3.75 is the regular rate.

Q. Does that come from the same place of shipment?—It comes from Reynolds-ville.

Q. What is the price of anthracite at Pottston?—We have been selling it at \$5.30 for stove, \$5.05 for nut, and \$4.80 for egg. We now sell it at about the same price on dock. Hard coal has been sold to dealers in Toronto, from stocks on hand, as low as \$4.60 to \$4.65 for nut, and \$4.75 for stove.

Q. Do you know whether any bituminous coal has been sold at a very low rate in Toronto the last winter?—Not of my own knowledge.

Q. Do you find any special advantages resulting to the coal by carrying it by railway instead of by lake?—We do.

Q. What are they?—One great advantage to gas coal is that it produces more gas when sent by rail; another advantage which we find with coal by bringing it on the cars is that it does not get broken up or slack. This is especially the case in reference to hard coal.

Q. What percentage do you save in screening by bringing it by rail?—Last summer we made a comparison, and found we could save about three per cent.

Q. Are you able, by using the railway, to hold much lighter stocks than by lake?—Yes; it does not require such heavy stocks.

Q. You say that anthracite coal competes closely with bituminous coal. Supposing that the duty were put on bituminous coal, would that tend to promote the increased consumption of anthracite?—I think it would.

Q. What are the chief uses of anthracite coal in Ontario?—The Lehigh lump coal is used largely for foundries and places of that kind. Anthracite, such as is used for domestic purposes, is used for cooking and hall stoves, small furnaces heated by hot air, and uses of that kind.

Q. Has not the greatly increased production of anthracite coal within the last few years greatly tended to reduce the price?—Yes.

Q. Is the tendency in favour of anthracite coal?—I think it is rather on the increase.

Q. You say that you send coal to towns west of Toronto; are your rates of shipping to these points reduced by competition between lake and rail freights?—Yes; the railway companies ask us at what rates of shipment we will be able to lay down coal at certain points so as to compete with coal sent by water.

Q. They are then going on the same principle as the railways of the United States?—Yes; it is the same principle.

Q. Have you sent coal east of Toronto?—A few car loads.

Q. In reference to a letter from Messrs. Gooderham & Worts, are you acquainted with the quality of the coal referred to as having been sold to them at 50 cents per ton at the pit's mouth?—I have examined the coal, and I think I know its quality. It is good nut coal, screened; that firm would not have any other kind.

Q. The price is not extra low for that description of coal?—No, I don't think it is; I may say that we would be glad to sell all the screened nut coal we have at fifty cents per ton at the mine.

THURSDAY, March 29.

The following letter from the London (Ont.) Chamber of Commerce was read:—

LONDON, March 27, 1877.

SIR,—I am directed by the London Chamber of Commerce to forward you a resolution unanimously passed at a general meeting of the Chamber, held last night, the resolution being as follows:

“That with reference to the proceedings now pending before the Committee of the House of Commons, on the coal question, this Chamber desires to record its opinion that it is not desirable to impose any impost duty on coal, either bituminous or anthracite.”

I have the honour to be,

Your obedient servant,

(Signed) H. E. NELLES,

Secretary London Chamber of Commerce.

To the Chairman
of the Coal Committee,
House of Commons, Ottawa.

Mr. ROGERS, of Toronto, re-called and-examined.

By the Chairman:—

Q. Is *Saward's Coal Journal* an authority on the question of the prices of coal?—I am not prepared to say, I don't know it.

Q. You spoke of the prices of coal at the mines, and their cost at Toronto; when shipped by rail is it laid down to every dealer at the prices you mentioned?—As I stated before the prices vary considerably.

Q. But do any of the other coal dealers procure their supplies from the mines in which you are interested; are the purchases made through you?—For that special coal, yes.

Q. I speak of ordinary bituminous as in contradistinction to the best kinds of gas coal?—Gas coals are bituminous the same as others; but there might be bituminous coals that would not be good gas coals.

Q. I think you stated that what is called the Briar Hill coal could be purchased at \$2 per ton at the mine?—That is the regular price at the mine.

Q. Would you be astonished to hear that a journal which is specially devoted to the coal interests quotes it at \$3.70 for this month?—I think there must be some mistake; probably that is the price at Cleveland.

Q. Yes, it is?—I may say that in purchasing coal you cannot always safely take the circular prices; it is well known to western dealers that they can often get coal more cheaply than it is quoted.

Q. The reverse may sometimes happen?—Yes.

Q. What is the cost by rail to Cleveland?—\$1 per ton is the regular rate.

Q. \$1 from \$3.70 would leave \$2.70?—I don't know anything about that question: I can only explain it if the printed price is \$270.

By Mr. Dymond:—

Q. The distance is 85 miles from Briar Hill to Cleveland?—I think it is about 70.

Q. What is the difference in value between the Briar Hill and Straitsville coal?—The Briar Hill coal has a greater reputation; it is an older coal than the Straitsville, but the latter is used by numbers of people who regard it for all practical purposes as quite as good as the Briar Hill.

Q. What is the difference in price?—The Straitsville is about 25 cents per ton lower when delivered; I gave you Toronto prices, as we were selling, though I stated that coal could be laid alongside cheaper than the prices I gave; I gave the wholesale prices to dealers.

By Mr. McGregor:—

Q. \$4 70 for Straitsville?—Yes, for contracts of 50 or 100 tons; we retail at \$6.

By the Chairman:—

Q. You say the freight from Cleveland is \$1?—Which coal do you mean?

Q. Does it make a difference?—Yes, in regard to the distance coal has to come.

Q. I say from Cleveland to Toronto?—It varies: last year we brought some for 90 cents and some at a higher rate.

Q. Did you ever know of its being brought from Cleveland before for 90 cents; was that the general price for last year?—At a certain time it was.

Q. Were large quantities bought at that price?—I cannot say how great quantities—considerable quantities I should say.

Q. Did you ever know of its being so low before?—I have not been as long in the coal trade as other dealers in Toronto.

Q. How long have you been in Toronto?—Since last fall; so I cannot speak from my own knowledge.

Q. Do you know if \$1.25 was given last year?—Yes, I believe sometime during the season.

Q. From your own knowledge and what you have heard of coal, coal freights between Cleveland and Toronto, is it not a fact that \$1.25 is looked upon as a low figure?—Not at the present time. It might be at sometimes, as freights vary very much.

Q. What is the highest rate at which freights have been between Cleveland and Toronto?—I am not prepared to say.

Q. I understand you to say that you had an impression that freight would be lower this year than last?—I don't remember saying that, but I heard before leaving Toronto that offers had been made to carry freights across the lake for thirty cents

per ton, from Oswego to Toronto, which would be considered a pretty low rate. That is hard coal.

Q. But that does not affect these coals?—Yes, to a certain extent, for if freights are low the vessels may just as well go to Cleveland and bring freights.

Q. What effect would that have?—That would bring it to nearly the same proportion as last year and the year before. A great deal of hard coal was brought last year at thirty cents per ton.

By Mr. Dymond:—

Q. That would be about ninety cents to one dollar from Cleveland?—Yes.

By the Chairman:—

Q. What is the average pay of miners per day?—They work by the ton.

Q. How much can they manage to make?—The amount varies; some take out eight or nine tons; some a little more.

Q. How many tons will they take out on an average?—That varies; some take out more than others; seven or eight tons might perhaps be an average, but it depends on the location.

Q. What do the miners get?—Sixty cents per ton.

Q. None of that goes to the proprietor?—No.

Q. Would seven tons per day be a large quantity?—Plenty of them would take out that quantity.

Q. Would five be a fair average?—No, they would take more than that.

By Mr. Dymond:—

Q. Do you mean that one man could take seven tons out of the mine?—No, they don't take it out of the mine.

Q. Sixty cents represents the simple picking out of the coal?—Yes.

Q. You mentioned about the cost of a mine of the character of yours—you said something like \$20,000?—Yes I had reference to the mine in which we are interested ourselves.

Q. Does that include the original purchase money?—There is a royalty on the coal; there is no purchase of the fee-simple at all.

Q. Do I understand you to say that your buildings, your managers and the different clerks you employ only cost some \$20,000 a year?—That is for the outlay on plant.

Q. That \$20,000 would include the outlay and one year's services of the Manager?—No, not at all; that is the cost of plant and permanent improvements, works of construction in opening the mine.

Q. In addition to that you pay ——?—We pay \$2,500 for the management of the mine.

Q. Does that include everything?—All except the hired help such as would be required in actual labour. It includes management, keeping books, weighing coal, and assistance generally.

Q. \$20,000 represents the capital sunk?—Yes, you must remember there is no engine or anything of that kind; it is just a gradual incline; it was handy to the railway so that a switch could be brought in, the Railway Company furnishing the iron, all we had to do was to run the cars along a gentle slope, dig down a little, and strike the vein and strike the coal.

Q. No pump?—No.

By Mr. Power:—

Q. \$20,000 was the outlay?—Yes, the first outlay, and what has been laid out since in improvements, or perhaps a small fraction more. We expect the Manager to take hold and work when required.

By the Chairman:—

Q. That makes the cost of your coal and mining \$4 in Toronto?—No, I didn't state that. I say we are delivering the coal from this mine; I don't wish it confounded with other coal. We are delivering coal out of this mine in Toronto at \$4.80.

Q. All that you stated in regard to the cost of mining applies to this particular mine?—Yes. I stated that we were anxious to sell all the nut coal at the mine for 30

cents per ton, and that we would be glad to put any amount on board the cars at the mine well screened out, giving them a lump or a large nut coal for \$1.25.

Q. What is the cost of mining a ton of coal at this mine?—It is fifty cents at our mine; sixty cents at some of the others.

Q. What do you lay this coal down at Toronto for?—As I stated before, \$4.80. We sell nut coal in large contracts, such as that of the Great Western—as low as \$3.65.

Q. How does that compare with the price of other coal?—It is higher than what steam or nut coal is sold at in Toronto.

Q. Can you tell me the retail price of Briar Hill coal?—Six dollars.

Q. Is it sometimes higher than that?—Not since I have been in the trade.

Q. What is the retail price of the better class?—When the price is stated at six dollars, it means for that kind of coal.

Q. Straitsville is \$4.75 for large contracts. Do you know of large contracts for delivery in Toronto at \$4.75?—No. Coal in the summer season has been delivered at that. Of course coal could be laid down cheaper than that if contracts were made, and this coal imported for a special purpose.

By Mr. McGregor :—

Q. You say the Straitsville coal is 90 cents at the mine?—That is the regular price.

Q. \$1.50 for freight?—No, \$1.75 is the regular rate.

Q. The usual freight is \$1.50 to Cleveland, is it not?—I think not.

Q. And \$1 to Toronto, that would make \$3.65; that is really the cost of the coal alongside the dock, if you make no special cuts?—Yes, unless special cuts are made. I try to give you the outside figures, so as to be on the safe side.

By the Chairman :—

Q. You say you are not making a large profit at the mine at these figures?—Very little at the mine.

Q. Then the profit is made at this end?—That is about the only profit.

Q. I think I understood you to say that there is 35 cents royalty, 60 cents to the miners, and the selling price at the mines, 90 cents?—No; 90 cents is the price of the Straitsville coal; ours is 50 cents.

Q. Is the royalty the same?—I cannot tell about that; it varies according to the location of the coal and the cost of getting it to market.

Q. I suppose you don't contemplate for any length of time selling at the low rate you are now selling, and without making a profit?—We hope the times will be better.

Q. Will not freights go up then?—That is a question I can hardly answer. I would like to see freights and everything else advance, as it would make better times.

Mr. P. D. CONGER was called and examined.

By Mr. McGregor :—

Q. You are a coal dealer in Toronto?—Yes.

Q. How long have you been in the coal trade?—I have been seven years in Toronto.

Q. What kind of coal do you deal in?—Bituminous and anthracite—all the kinds that are used.

Q. Where do you generally purchase?—I purchase soft or bituminous coal principally from the Ohio coal mines, and the anthracite from Pennsylvania.

Q. What is the cost of steam coal laid alongside the dock, Straitsville say?—The Toronto market, I think, for the last three years, has consumed about 100,000 tons of soft coals of different kinds. In 1873, it was brought by water altogether; in 1874 they commenced bringing it by rail; so that up to 1876 the importations by water was in the vicinity of 60,000 tons, the balance being by rails.

Q. What was the cost of delivering that coal, alongside the dock, in those vessels in 1876?—A large quantity of steam coal was delivered in 1876. Massilon, which is the best steam lump coal, was \$3.40 alongside the dock. I may say that it is a

matter of opinion as to whether this or the Briar Hill coal is the best for steam purposes, but I think the lowest priced coal gave as good satisfaction as the other.

Q. Briar Hill coal cost—?—The best Briar Hill is about 75 cents more.

Q. That would be \$4.15?—Yes.

Q. About gas coals?—The Youghoigheny standard gas coal would be about \$4.40 alongside the dock.

By Mr. Dymond:—

Q. That is equal to about \$4.70 in the yard?—Yes, about thirty cents for delivery.

By Mr. McGregor:—

Q. What would be the price of a different kind of hard coal; we are trying to find out how one compares with another?—I have some figures in my mind about another class of steam coal. There are the Tuscarora and Columbiana, which are considered as lower grades of coals. They are about 20 cents per ton less, or about \$3.20.

Q. That is considered an excellent coal for steam purposes?—Yes.

Q. Used on the railways and lakes?—Yes.

Q. Which coal is mostly used for domestic purposes?—The Briar Hill and Marsilon. All these are lump coals for private houses.

Q. And nut coal?—There were thousands of tons sold in Toronto, alongside the dock, screened nut coal for \$2.90.

Q. That is considered a good coal for mills?—Well it is the same coal only it is small.

Q. Now about the usual cost of the best kinds of coal for hall stoves and so on?—I think nearly all the dealers we get buy their coal from the mining companies at prices delivered on the line between the United States and Canada. If it is to go by lake they deliver it on board the vessels on Lake Erie or Lake Ontario. They issue a manufacturers' circular which is supplied to show the prices at which anthracite coal is sold. These are the wholesale prices to dealers in Chicago, Montreal and western places. It comes out principally to Oswego, Rochester, Fairhaven and Buffalo. By rail it strikes Canada at Suspension Bridge and the International Bridge. The prices are uniform at these dividing lines.

Q. Are those combinations in existence now?—Well they were broken up in August last, and it is hard to say whether they exist now.

Q. What is the price of anthracite coal free on board at the bridge?—There are three sizes of house coal, nut, stove and egg; there is twenty-five cents difference between those prices. I will give you the middle one, nut. The circular prices of the Anthracite Coal Association which governs the rates—

Q. Is that the association which you spoke of, and whose existence at present you say is doubtful?—Yes; it is an association of the principle mining interests of Pennsylvania, who own the railways and canals by which the coal is brought to the port. Before the breaking up of the combination last August the price of nut coal was \$5.60 American money; or \$5.04 in gold. After the fall of the combination it was \$3.78. If you add 30 cents to that you get the price alongside the dock in Toronto.

By Mr. Tupper:—

Q. That is \$5.34 to \$4.08?—Yes.

By Mr. McGregor:—

Q. \$4.08 would be about the price you expect to pay for coal, along-side the dock, in the spring?—Yes, I am giving you the figures that are likely to be published, the probabilities for hard coal.

By Mr. Tupper:—

Q. What was stove coal last year?—22½ cents higher than nut.

Q. And egg coal?—22½ cents lower than nut.

Q. Then stove, nut, egg is the order in which they come, according to quality?—

Yes.

By Mr. McGregor :—

Q. What is your impression as to the coming rates of coal?—Soft coal will be about the prices of last year. It is a little lower in the market; the fall in gold will make the difference. All the coal will be as low as it was in August after the break. I mean the opening spring prices, but they generally advance during the season. The prices I am giving you are all for short tons.

Q. Do you bring any coal by rail?—The coal brought by the Grand Trunk Railway, is sold to them as I explained at the International Bridge.

Q. About the figures named?—The Grand Trunk paid \$3.55 for 35,000 tons last year at the International Bridge; and \$3.00 for another coal in the American market within 120 miles of Buffalo.

Q. Have you ever bought coals at the mine?—I buy principally of the mining companies; they delivering the coal at certain points for certain prices. They sometimes prepay the freight and if they don't we pay less prices.

Q. Is there much difference in taking it in by water or by rail?—Yes; there is a good deal of difference. The circular prices of anthracite coal all along the dividing line is the same whether by rail or free on board a vessel. Lake freights from the shipping ports along Lake Ontario were about thirty cents last summer. The route from the bridge to Toronto has varied from 75 cents to \$1.00.

By Mr. Tupper :—

Q. What is the distance?—Eighty three miles by the Great Western.

Q. That is about one cent. per ton per mile?—Yes.

By Mr. Macdonald (Toronto) :—

Q. You speak of circular prices; is there a discount?—Yes; fifty cents per ton last year before the fall of the combination. After the fall it was hard to get a discount and very hard to get more than fifteen days to pay for coal.

Q. Is the circular price a net price, to buyers in quantities?—They having first sold all coal at the International Bridge. I get a discount from the company below that circular price.

Q. I presume coal is like everything else, large purchasers have a consideration on circular prices; we will only be in the dark, unless we know what we are talking about?—I make my profits on the prices I get as a dealer in coal.

Q. On circular prices?—Yes.

By Mr. McGregor :—

Q. When you speak of these prices, profit is included?—Yes; that is the price which coal can be sold; my profit as a dealer is included.

Q. Those who handle a great deal of coal are generally allowed a reduction by railway even at the mine?—Of course large dealers can get rates more advantageous than small ones. I believe a drawback is given on the railways to purchasers in large quantities. A man getting 50,000 tons will have a lower rate than one shipping 20,000 or 10,000.

Q. He gets a rebate?—Yes; that is done universally by the railways in the United States.

Q. Do you know anything of the mode of mining or the cheapness of producing coal at the pit's mouth?—I know nothing further than what I learned by visiting a mine and seeing the operations.

Q. You don't know anything about running a mine?—No; I know that the actual cost of putting the coal in the cars varies from thirty-five to sixty cents.

Q. Do you know the cost per ton for the actual labour on the mine?—The Pittson Coal Mining Company's lump coal, of which about 130,000 tons is sold per annum, sells at about \$1.00 at the mine.

Q. Have you had any experience with Nova Scotia coal?—No, I never had any.

Q. Do you know anything of its qualities for domestic or gas purposes?—No, only what I have been told.

Q. You don't know its relative strength for gas purposes?—I have heard the statements of gas engineers, that is all.

Q. Have you any idea of what it would cost for freight from Nova Scotia to

Toronto?—I don't think I could give practical information, simply because there has been no freight list, I could only draw conclusions from other freights.

Q. Has coal not fallen greatly within a short time—within the last year or so?—In 1873 we made a contract for 50,000 tons in Cleveland of Massilon, at \$4.25, free on board, American currency.

By Mr. Workman:—

Q. What was that in gold?—I would not be certain. I give that to show the decline at that time. Last year I bought the same coal for \$2.60, free on board the vessel at Cleveland.

By Mr. Tupper:—

Q. You have been giving us the prices in dock at Toronto. Couldn't you give us these rates in the same way, so that we could make a comparison?—Freight in 1873 ran from \$1.75 to \$2.75 gold; our average was \$2.20 gold.

Q. What was the price of Massilon coal in 1873?—\$4.25 American currency.

Q. What was the price in gold?—I don't recollect, but I think the discount was about fifteen per cent.

Q. Take off fifteen per cent?—That would be about 60 cents off or \$3.65 gold.

Q. Then Massilon coal in the dock in Toronto would be \$5.85 in 1873?—Yes. Well, I would correct that, for we paid 25 cents for unloading, which would bring it down to about \$5.60.

Q. Did Briar Hill range at that time about 75 cents more?—Yes, I think it did; perhaps \$1 would be nearer.

Q. Then \$6.60 would be about the average price of Briar Hill, and \$5.60 of Massilon?—Yes.

By Mr. McGregor:—

Q. What is the prospect for low prices in 1877?—About the same as last year.

By Mr. Tupper:—

Q. What does stove coal retail at in Toronto?—About \$5.25 to \$6 is the outside price.

Q. What is nut coal selling at in Toronto?—\$5.75.

Q. And egg coal?—\$5.50.

Q. Briar Hill?—\$6.

Q. That is delivered at the houses?—Yes. I might say that these are the outside retail prices. 50 cents is taken off to large consumers.

By the Chairman:—

Q. Please tell me the prices of Briar Hill, retail, in 1873?—About \$7.50 in the early season, up to \$8 in winter.

Q. You say there were thousands of tons of nut coal laid down in Toronto during the past year at \$2.90?—Yes.

Q. Was that a good article of nut coal?—The best in the market.

Q. Does that mean laid down at the wharf?—In the vessel at the dock. It doesn't include the expense of taking it out.

Q. Do you know Gooderham & Worts?—Yes.

Q. Would they be likely to purchase coal this season as cheaply as any one in Toronto?—I think they would buy as closely as any one.

Q. Would you be astonished to hear that they give \$3.65 for theirs?—That was only to keep them going to the opening of navigation. They were short this year.

Q. You say that thousands of tons have been sold for \$2.90 per ton of the same class that Messrs. Gooderham & Worts stated they are now giving \$3.65 for, and they being able to purchase for cash in the cheapest market?—Simply because navigation is closed.

Q. Did I understand you to say that the railways are competing favourably with the vessels?—No. Quite the reverse.

Q. You say the best steam lump coal is put on board for \$3.40?—Yes.

Q. Can you tell what they can send it to Montreal for?—No, I cannot. I should think it would be a difference of \$1.50 per ton, freight, judging by the freights for grain, they would be in addition to the cost at Toronto.

Q. Are you aware that any Montreal coal costs \$5.50?—I believe that large quantities were delivered in Montreal last year by contract for \$4.50—Nova Scotia coal.

By Mr. Dymond :—

Q. When you speak of \$4.50 being the price in Montreal, do you mean first-class gas coal?—I mean steam coal. I don't know anything about gas coal in Montreal.

Mr. M. DWAN called and examined :

By Mr. McGregor :—

Q. You are a coal dealer in Toronto?—Yes.

Q. How long have you been in business?—Seven years.

Q. General coal business?—Yes.

Q. Do you generally agree with the statements of Mr. Cunger?—With the exception of what he said as to the price of Massilon coal. I think it is a little lower than he put it. Mine costs \$2.76 in Cleveland; freight, \$1; that would be \$3.76 in gold at the dock.

Q. Is that the only point on which you differ from him?—Yes; I speak now of good quality, Massilon or Straightville. Of course, an inferior quality could be bought for less.

Q. Have you any experience in Nova Scotia coal?—Yes; I handled about five cars in 1871.

Q. How does it compare with the Massilon or Straightville, of which you have just quoted the prices?—We have always sold Nova Scotia at a higher price than either.

Q. Were the parties who purchased it satisfied that it was worth more?—With the exception of two cases, they were all satisfied.

Q. It was considered better than the American?—Yes; in fact, we could have sold 10,000 tons the following year if we had had it, they liked it so well.

Q. At about how much more than American coal did you sell it?—About fifty cents per ton more.

Q. Have you any idea of the cost of getting Nova Scotia coal to Toronto?—I paid the same as American coal at that time.

Q. Can you give us a comparison of the cost and freight from the two places, if you wished to get Nova Scotia coal at the present time?—Well, I don't think you could get freight at anything like the same price as from Cleveland. I made a good deal of inquiry from the masters of vessels, and they tell me it would cost considerable to bring coal up unless they had downward freights. The vessels that brought the coal I purchased had downward freights.

Q. Have you any idea of the freights for 1877?—I understand that vessels have been offering at \$2.50.

Q. The cost at the mines would be?—About \$1 50. It is advertised at that figure.

Q. That would make the coal cost \$4?—Yes.

Q. That is, alongside the dock?—Yes.

By Mr. Tupper :—

Q. Is that the long ton?—Yes.

Q. When you speak of the American coal you speak of the short ton?—Yes.

Q. Are the prices of hard coal just about the same as those given by Mr. Conger?—Yes.

Q. You don't buy more cheaply than he, or pay higher?—No.

Q. They come into competition with soft coal?—Yes.

Q. If they were much cheaper they would affect the soft coal trade?—Yes; very materially.

Q. What would be the effect of the imposition of a duty of fifty cents per ton, on coals coming into Canada from abroad, upon the coal trade between Nova Scotia and Toronto for instance?—I don't think it would affect it much, unless freights could be obtained for vessels going down to Nova Scotia.

Q. Would not the fact of coals being brought up lead to an increased trade in the industries of Ontario?—I think it might.

Q. A large additional export would take place to Nova Scotia?—Yes; I think there would.

Q. The effect would be that the cost of coals would not be materially enhanced to the consumer in Toronto?—I think not.

By Mr. Goudge:

Q. What articles would come down?—Well, I am not particularly posted so far as that goes.

By Mr. Tupper:—

Q. The vessels that brought you these coals in 1871 had down freights?—Yes.

Q. They were able to bring it more cheaply?—Yes; I think they had flour down.

By Mr. McGregor:—

Q. Would it be possible to load as many vessels down as would bring flour up?—I cannot say as to that.

By Mr. Dymond:—

Q. At what price would that coal, which you say could be laid alongside the wharf at \$4 per ton, from Nova Scotia, be sold in the Toronto market at the present time?—I think it would fetch at least 50 cents over the best American soft coal.

Q. What is the price of the best American soft coal?—\$6.

Q. That would be \$6.50?—Yes.

Q. Nova Scotia would hardly require a duty of 50 cents to induce you to buy it?—Well, I would pay as much for Nova Scotia coal as the best American soft coal.

Q. Yours is the long ton?—That would be reduced to the short ton.

Q. Then you would sell the short ton for \$6.50?—Yes.

Q. And buy the long ton for \$4 admitting the expense intervening?—Yes.

Mr. WILLIAM BOWMAN called and examined.

By Mr. Frazer:—

Q. You are a coal dealer?—Yes.

Q. For how long?—I have been connected with coal for ten or twelve years, more or less, intimately for two or three years.

Q. You are also connected with the gas works at London?—I am President of the Company.

Q. You are also a manufacturer of chemicals?—Yes; sulphuric acid.

Q. Where do you get your supplies of coal?—We get soft coal from Cleveland.

Q. At what price?—There are a variety of grades; there is coal from the Ohio and Pennsylvania Companies, coal called the Columbiana, and the Briar Hill. At Port Stanley, our port of entry, Columbiana coal is sold alongside the dock at \$2.85; Straitsville at \$3.13; the best grade of Massilon, \$3.10; Briar Hill, \$3.54; Youghoigheny at \$3.94. That is the best gas coal. These are lump coals.

Q. That is at Port Stanley?—Yes, afloat at Port Stanley.

By Mr. Goudge:—

Q. Which is gas coal?—Youghoigheny is the only one; Briar Hill could be used for gas, but it does not produce the same quantity of gas; nor does it make as good coke. The yield of coke of the Youghoigheny is large.

Q. What would be the cost at London?—\$1.15. There are harbour tolls, twenty cents; unloading from the vessel, fifteen cents; rail, eighty cents. Last year it cost thirty cents less than that, as the Grand Trunk and Great Western were cutting rates low, and we got a reduction of thirty cents. These are the tariff rates.

Q. What would be the effect of fifty cents a ton duty?—An increase of fifty cents extra. We could not import a ton from Nova Scotia.

Q. What quantity is imported to London?—9,400 tons last year independent of the Great Western.

Q. That was for London proper?—Yes, independent of what is used by the Great Western.

Q. Can you say how much they used?—They must bring at least 30,000 tons to London.

Q. Where do you get your coals?—Some by Port Stanley, some by Windsor, and some by the Bridge.

Q. That is soft coal?—Yes.

Q. And hard coal?—We get about 9,000 tons into London.

Q. That would be 20,000 outside of the Great Western?—Yes.

Q. Does Nova Scotia coal compete at London?—I do not know.

Q. Have you had any experience in Nova Scotia at all?—Nothing further than seeing it at Montreal; I notice that it would compare with our Massillon in appearance; it was a soft coal, but it broke up in handling; it would not do to be handled and re-handled like Briar Hill; I think it would have to be cut and screened, and again there would be large loss.

By the Chairman:—

Q. What is the distance between Toronto and Port Stanley?—It depends entirely whether you mean a straight line by railway or by water.

Q. I mean, speaking of the Nova Scotia coal trade; supposing a vessel was bound for Port Stanley, how far, coming from the eastward on Lake Ontario, would she have to go past Toronto?—About eighty or ninety miles, and she would have to go through the Welland Canal.

Q. What would be the whole distance?—About 110 miles.

Q. Past Toronto to Port Stanley?—Yes, they would have to pass through the Welland Canal and pay the tolls.

Q. Are these tolls in coming from the West?—I do not remember.

Q. Do you know that on a long voyage of several hundred miles an extra hundred does not add to the freight?—Well that extra would be equivalent to five times the cost of the other, with the cost of detention in the Welland Canal, and the fact that they could not get return freights from Port Stanley.

By Mr. Tupper:—

Q. How far is it between Port Stanley and London by rail?—Twenty-two miles; perhaps I might give the committee some idea of the difference of prices between Cleveland and Port Stanley, and from Cleveland to Toronto; our rate from Cleveland ranged from thirty-five to fifty cents, American currency.

Q. What is the distance between Toronto and London by rail?—Between 110 and 120 miles.

Q. What is the cost per mile for coals?—They charge \$1.50 from Hamilton which is thirty miles nearer us than Toronto is.

Q. What would that make it at Toronto?—Well for an equivalent rate, it would be about \$1.70.

By the Chairman:—

Q. Are there any coals sent from Toronto to London by rail?—No.

Q. From Hamilton?—Very little, there have been a few loads—mere cases of necessity; no person would import it in that way.

By Mr. Dymond:—

Q. What amount of coal do you use in your own manufacture?—In the gas company about 2,400 tons, and other chemical works, from 1,200 to 1,300 tons, and for domestic purposes some 3,000 tons.

By Mr. Tupper:—

Q. What is the consumption of coals in London?—About 20,000 tons independently of the Great Western.

Q. Of soft coal?—9,000 tons.

By Mr. Dymond:—

Q. Have you any other manufactures in London in hand on which you use large quantities?—Yes; our brewers and malsters.

Q. What quantity does an establishment like Carling's brewery use?—He uses principally hard coal; I cannot say, but I think perhaps 150 tons.

Q. You have large furniture works?—They don't use much coals, we get wood at \$3.50 per cord, beech and maple.

By the Chairman :—

Q. The prices you have given us are those for the past year?—Yes.

Q. They have been higher?—Yes; about \$1.00 per ton taking the lake freight, and the prices of coal at Cleveland as well.

Q. They have been higher to the extent of \$1.00 per ton?—Yes.

By Mr. McGregor :—

Q. Are the prospects for 1877 as low in prices for 1876?—Yes; they have made offers to us. I don't see how lake freights can be higher, for the vessels have no other occupation than the carrying of coal.

Q. The growth of the consumption is steadily increasing?—Yes.

By Mr. Workman :—

Q. Do you think the imposition of a duty of \$1 per ton on coal imported into the country would enable the Nova Scotia dealers to deliver through the country?—Well, you can draw your conclusions; I have given you prices.

Q. What is your opinion?—My opinion is, that we could not touch Nova Scotia coal.

WEDNESDAY, April 4th, 1877.

Committee met—Mr. MACKAY in the Chair.

Mr. NAPIER ROBINSON called and examined :

By the Chairman :—

Q. You live in Sydney, C.B., and are manager of, and interested in a coal mine there?—Yes.

Q. What is the name of the mine?—The Toronto Coal Mining Company.

Q. Is it located near the Sydney mine?—Yes, very close to it.

Q. Fronting on the Bras D'Or?—Yes.

Q. Are you acquainted with the working of the mines?—Yes.

Q. Thoroughly conversant with them?—Yes.

Q. Are you conversant with the working under and over ground?—Both.

Q. Are you acquainted with any of the coal mines in the United States?—Yes; a good number of them, in Ohio, Illinois and Missouri.

Q. What is the character of the coal in which you are engaged?—Bituminous coal entirely.

Q. Is it peculiarly adapted for any particular purpose?—It is adapted for domestic and steam purposes.

Q. What can you manage to sell it at, free on board?—\$1.50 per long ton of 2,240 lbs.

Q. Is that giving you a profit?—Yes; that is a profitable price.

Q. Sydney mine coal is selling at over \$2?—Yes, \$2.25. It is a colliery alongside ours.

Q. That is caused by their having a steady home market, which they have controlled for many years?—Yes; it is on the same principle that an old tailor gets better prices for his goods than the man who is quite as good a tradesman, but not so well known.

Q. What sort of coal is that in which you are working yourself?—It is as good as any on the island.

Q. It compares favorably with that from the Sydney mine?—Yes; with any of them.

Q. How is it that you can manage to sell for \$1.50 at a profit, while the Sydney mine sells at \$2.25, and is barely making a profit?—Our capital account is much less; and our pit mouth is just 300 feet from the shore, and we require no railway.

Q. What do you mean by the shore?—The loading ground. We have no railway, and very small overground force. We have also a very small repair account, and a lighter plant in comparison with others. Our underground works are also less expensive, and not so far away as those of the others.

Q. What is the thickness of the seam?—From five to six feet.

Q. Is it a hard or a soft coal?—It is what is called a hard bituminous coal.

Q. What is the capital of your Company?—\$200,000.

Q. Do you mean that that amount has been expended?—No; not the whole of it; that is the nominal capital.

Q. Is your mine in working order?—Yes; it is to a great extent, though we are continually spending more money. This \$200,000 is being gradually paid in in improvements.

Q. Did you ship any coal last season?—Yes; some 8,000 tons.

Q. Was last year your first year?—Well; it was not our first year, but the operations of the previous season were very small.

By Mr. Dymond:—

Q. Is it a new mine?—Practically, it is. It was worked a great many years ago, but this is a new company, and they are opening the old works and putting in additional plant for more extensive operations.

By the Chairman:—

Q. How does the coal compare with the coal from the United States?—It is a better coal, in a good many respects, than any Ohio coal I have ever seen. The only coal that I would at all compare with it is the Briar Hill, and in point of heating quality and durability our coal is superior to the Briar Hill.

Q. Have you placed any of it in the Toronto market?—None.

Q. Do you contemplate doing so?—Yes; this season.

Q. Have you made engagements or arrangements with any person?—Yes.

Q. What are they?—They are to bring the coal up for \$2.50, delivered at Toronto.

By Mr. Power:—

Q. Delivered in Toronto?—Yes; I might remark in connection with the freights given from Ohio that they do not include unloading the vessel.

By Mr. Dymond:—

Q. When you say delivered at Toronto you mean delivered on the wharf?—Yes.

Q. There is a difference of 15c. or 20c. for unloading?—Yes.

By the Chairman:—

Q. What kind of a vessel is used to carry your coal?—A propeller.

Q. Where does she belong to?—I think she is owned in some of the Lake Ports, at all events.

Q. Can you mention what cargoes she will bring back?—She is to carry about 500 tons.

Q. Is that \$2.50 for the long ton?—No; the short ton.

Q. What does she take down?—Flour and meal—some goods that the merchants down there are going to purchase to start the trade.

By Mr. Dymond:—

Q. That would be between Sydney and Toronto?—Yes, and Hamilton, or any other of those ports.

By the Chairman:—

Q. Is it a verbal or written agreement?—A written one.

Q. Will she have a full cargo going down?—Very nearly a full cargo. She does not stipulate that she is to get a full one, but sufficient to go through the canal without transshipment.

Q. Do you see difficulties in the way of continuing that trade?—No; I should say there were none.

Q. Do I understand you to say that a steamer, or a number of steamers, could get full cargoes down and full ones back?—Once the trade is started, I have no doubt

they will. When the trade is started, it will lead to the shipment of a great many things. The scheme is a new one, but I have had a good many inquiries.

Q. Once it is established you think it will go on?—Yes; I think so.

Q. What vessels would be employed—lake or maritime?—Lake.

Q. What would be the principal exports from Ontario?—Flour, pork, beef, meal, wooden ware, and things of that kind. We have had inquiries as to the freight on oil and lumber, to be transhipped at Sydney, into the ocean vessels for Europe.

Q. Any inquiries about grain?—Nothing practical has come to my knowledge.

Q. What other articles would enter into consumption in Nova Scotia?—I do not know of any others. There are manufactured goods of various kinds that would go down: such as wall-paper, and other small goods. The flour, meal, beef, and pork, would be the bulk.

Q. Castings?—No; I do not think they would go.

Q. Why?—There might be a trade in some kinds of machinery. We are ordering some styles now in Toronto.

By Mr. Power:—

Q. Bread-stuffs would chiefly form the down trade?—Yes; they would be the bulk.

By the Chairman:—

Q. Boots and shoes, and other manufactured goods?—Well, there is a manufactory of boots and shoes at Halifax. I do not know sufficient of that trade to say.

By Mr. Power:—

Q. Can you import pork more cheaply from Ontario than you can get it at Halifax?—Yes, so they say. They consider, too, that it is a better quality. There is a great deal of inquiry about pork, but it is all a matter of price. There is a good deal of pork goes from Sydney to the ships. I do not think it is consumed to a large extent on the Island.

By the Chairman:—

Q. What is your opinion regarding the imposition of a duty on imported coals?—I think it would lead to a very largely extended market.

Q. In what direction?—Both West, and in Montreal, Quebec and New Brunswick.

Q. What is your opinion respecting Ontario?—I think it would lead to a market as far west as London, perhaps a little past London—Stratford and those places. I mean the higher grades of coal. English coal we have to compete largely with. It is one of the great difficulties.

Q. What are your views as to the imposition of a duty on flour?—I think a duty on flour would lead to the exclusive consumption in Nova Scotia of Canadian flour. It would keep out the American flour. I also think it would have no effect in the price, because there is an established competition. The competition is too keen to admit of its going up in price, and the benefit would not be an increase of price, but by putting our producers on a footing with the Americans and giving them a larger market. There is a duty on American flour and it is not more expensive there than here.

Q. Do you consider the duty would raise or materially affect the price of coal in Ontario?—On the higher grades I don't think it would affect the price at all. I am sure it would not.

By Mr. McGregor:—

Q. What do you mean by the higher grades?—The higher qualities of bituminous gas coal, and the best domestic coal, such as the Briar Hill and Massilon. As far west as London, I don't think it would affect the price of these at all. Past London I am inclined to believe it would. The duty of course would go to the Canadian shipper. It would be put in the price of the coal to him.

Q. The Canadian shipper would derive the advantage of the duty, in the freights, which would enable him to get his money out of it. It would not go to the miner?—No; we could not increase the price, but we would enlarge the market.

Q. Do you ship coal on speculation?—Occasionally.

Q. How is it that you have not had the Ontario market before?—Because it is essential that we should have a lake tonnage, for the gulf vessels we built exclusively for ocean navigation can not pass the canals. We must have vessels from the lakes.

Q. Is it essential to the building up of a trade in coals between Nova Scotia and Ontario that you should have those freights?—We look upon that as essential.

Q. If a duty were imposed would, it be of service to you in the Province of Quebec?—Largely. The price of Nova Scotia and English coal in Quebec is about the same, and a duty would tend to keep English coal out. I think they imported 180,000 tons there last year, which we could get if we had a duty.

Q. There was a duty of fifty cents per ton on coal in 1875?—Yes.

Q. Do you know whether that effected the trade?—Yes; it increased the shipments of Nova Scotia coal from 129,097 in 1869 to 162,977 tons in 1870, and considerably increased the importation of coal to the extent of 97,717 tons.

By Mr. Dymond:—

Q. That is including British and American coal?—Yes.

By the Chairman:—

Q. You are speaking of coals from the United States?—I am speaking of both English and American; the total decrease was 97,717, or 83,023 tons in Quebec and 14,694 tons in Ontario.

Q. Was the raise in the price of English coal of any service to the Nova Scotia coal trade?—Only trifling; from what other gentlemen have stated to the Committee it might be inferred that it was of vast benefit: the conditions are such that it will rise with us as it rises in England; but these vessels coming out bring coal in preference to other ballast.

By Mr. McGregor:—

Q. Does much coal come to the Province of Nova Scotia as ballast?—I don't think there is any; a considerable quantity goes to New Brunswick and a great deal to Newfoundland.

By the Chairman:—

Q. It has been stated that if the prices had been kept down in 1873, the mines would have been benefitted and would not have lost the United States market?—Not at all. The mines in Nova Scotia in 1873 worked up to their full extent and capacity—all the men employed at full time. They could not have shipped more coal, and many of them had orders they could not fill.

Q. Would it be possible for you to place coals profitably free on board for \$1.50, if you had always trade?—We could with a large trade.

Q. What can you sell slack for?—Forty to fifty cents per ton.

Q. Is that as good for steam purposes as the slack procured from the United States?—In stationary engines it is coming largely into use for steam purposes. It is also burnt in stoves down there in preference to the large coal, on account of its furnishing a more uniform heat.

By Mr. Tupper:—

Q. What kind of stoves?—Close stoves, base burners and cook stoves.

By the Chairman:—

Q. How far west do you think you could compete with American coal if you had a reasonable down freight?—As far west as London.

Q. You heard Mr. Bowman's evidence?—Yes.

Q. Can you explain why you consider that it would be possible for you to go as far west as London?—The cost of the best gas coal laid down in London is \$5.09. We could put it in Hamilton at \$3.85; tranship it for 20c and allowing \$1 for freight, and also making allowance for insurance we could put it in London for about \$5.

By Mr. McGregor:—

Q. Then you would only compete against the gas coal?—Gas and Briar Hill.

Q. But not the cheap coal? Mr. Bowman stated that he bought it for \$2.50 at Cleveland, and paid 30 cents for bringing it across?—That would be \$2.80. I don't think we could compete in the lower priced coal, but our coals are a good deal better

than these lower priced coals. We could not compete with a coal which they could lay down at London for \$3. We could lay nut coal down in London.

By the Chairman:—

Q. But there is only 50 cents difference?—75 cents at the mine for nut coal, long ton.

Q. What is the price of slack?—40 to 50 cents.

Q. That is unscreened?—No; that is screened through a 1½ inch screen.

Q. You have stated that the price at the mine would not be increased by a duty?—No; we would only receive the benefit of the increased trade.

Q. Inasmuch as you could lay down coal at London for \$5 per ton, you say you must have a duty?—You must not lose sight of the Lower Provinces in considering Ontario. If we had English coal kept out of Quebec and New Brunswick, the duty would enable us to carry coal still farther west than the parts I have mentioned, and enable us in addition to compete with the cheaper coals.

Q. Is it not a fact that a duty of 75 cents per ton would enable you to give a higher freight and enable you to take a less quantity of down freight?—Yes; certainly.

Q. It would assist you in this way: that you would not require on every occasion to have a full freight?—No; not if we could get better freight going up. I anticipate no difficulty in obtaining an ample tonnage for all the trade.

Q. That is in case a duty is imposed?—Yes.

By Mr. Dymond:—

Q. I understood you when you first made your calculations not on the effect of a duty, but on a trade on a natural basis?—A duty on flour would assist the trade.

Q. But the arrangements you spoke of as being under contract are not contingent on the duty?—No; they are not contingent on anything; they have no reference to the duty.

By the Chairman:—

Q. But as matters exist now—without a duty—do you consider that it is reasonably possible to extend that trade to any great extent?—No; not largely.

Q. Your great difficulty, from your point of view, I assume, is that the vessels would not have a full freight down?—As I stated before, if the trade was started and fully under way, we would anticipate no difficulty in getting sufficient trade down.

Q. You are speaking now of the state of things as they would be after a duty was imposed?—Yes; after the trade is encouraged and started.

Q. You are speaking on the supposition that a 75 cent duty would be imposed? Yes; but I say the arrangements we have made are independent of the duty. You ask me if I think we could get sufficient tonnage down, I say we can; but if we had a duty on coal we would be able to get better freights.

Q. By a duty being placed on coals, you think you would be able to get better freights coming up; and that better freights would enable the vessels to go down with a less cargo than otherwise?—Yes; certainly.

Q. Do you consider the price of coal in the Province of Quebec would be raised by a duty?—Not at all, simply because Nova Scotia and English coal are now about the same price; and it is to cut English coal out, and give no control of prices that we desire a duty.

Q. Is the competition keen?—Yes, too keen to admit of prices going up. We would gain nothing in the way of increasing our prices, but we think it better to get a large sale at a small price than a small sale at a large price.

By Mr. Tupper:—

Q. Do our coals compare favourably with those of Cleveland for domestic purposes?—Yes. Our coal for domestic purposes is superior to any other coal I have ever seen; and, as a steam coal, equal to any of them.

Q. Have you spoken as to the comparative values of Nova Scotia coals to Cleveland coals—their comparative usefulness?—I consider our house coals better because they are hotter, cleaner and more durable.

Q. Are you acquainted with the gas coals in Toronto?—Yes; those of the Toronto Gas Works.

Q. Are you aware of the yield of gas per ton?—9,300 cubic feet per ton of 2,000 lbs. ; illuminating power 15 candles ; coke 30 bushels.

Q. What coal is that?—The Younghoigheny and Reynoldsville ; price \$5.

By Mr Dymond :—

Q. When you say "our" coal, what coal do you mean?—Lingau, Blockhouse, Little Glace Bay and International.

THURSDAY, April 5, 1877.

Committee met.—Mr. MACKAY in the chair.

Mr. ROBINSON recalled and further examined.

By the Chairman :—

Q. You were speaking about the down freights and return cargoes. Do you contemplate or expect that in case of a trade being established with Ontario it would be necessary to consume everything that came down, or is there a port of transhipment?—Decidedly we should tranship.

Q. Of what nature would your transhipment be, and to where would they be sent?—There is in the first place a very large port demand ; that is ships calling in at the port of Sydney and taking away an immense quantity of flour, provisions and other articles, and then I think Sydney could be made a port of transhipment for oil and lumber, and to a certain extent, grain for the European markets.

Q. Is Sydney much frequented by vessels?—Yes it is one of the largest ports of call on the Continent. I have frequently seen 20 to 30 vessels arrive there in one day and 200 and 300 in port at one time.

Q. Why do they come to Sydney?—They come seeking freights.

Q. On account of its situation?—Yes ; principally on that account.

Q. You heard it mentioned that the Gas Company of Montreal found it necessary to send a person to the International Mine to protect their interests in connection with the proper shipment of coal. Can you explain that? Does it apply to all collieries?—No ; it was a very exceptional instance. The mine from which they were taking coal was under lease to a Mr. McDonald for a term of years ; the lease expired last spring. Whilst holding it, it was naturally his object to get out as much coal as possible and sell it regardless of its condition or quality. I know the year before the checker was put on, it was shipped from bank—that is from where it was stored in the winter and shipped to Montreal. That is to say injurious to the coal, which ought to be fresh.

Q. You were present when the statement was made that in the United States a cutter could cut, I think it was said, ten or twelve tons of coal per day?—Yes.

Q. From your knowledge of practical coal mining do you think that is the inside or outside figure?—I don't think it is possible to be done. That was introduced as showing the cheapness of the coal. It is impossible ; I have no hesitation in saying so.

By Mr. Dymond :—

Q. How long have you been connected with the coal trade?—Three years.

Q. Of that period how long have you been in Cape Breton?—I mean that I have been three years at Cape Breton.

Q. Does that time cover the whole period during which you have been interested in Nova Scotia or American coal?—It covers it with the exception that I lived in the coal districts of Ohio for seven years previously.

Q. What staff do you employ at the mine upon which you are engaged?—What do you mean by our staff?

Q. I mean independently of those actually working the mine?—The staff consists of myself. We have a foreman who superintends the underground works.

Q. Do you depend upon agents for the sale of coal or do you sell direct?—We sell both directly and by agents.

Q. You stated that your capital was some \$200,000?—Yes.

Q. How is that represented in works of value?—You mean how much have we expended?

Q. Yes; and in what way has it been expended, in the purchase of rights or improvements?—I would not like to give the cost of the coal mine itself, but we have expended \$50,000 on improvements, machinery and that sort of thing, over-ground.

Q. When you say that you would not like to tell the cost, do you mean in the sense that it would reveal private transactions?—Yes.

Q. \$50,000 you have expended in works or improvements?—Yes; between \$40,000 and \$50,000.

Q. And you are still expending?—Yes.

Q. Against the balance of the \$200,000?—Yes; we will not call the whole of it in.

Q. In a general way, was a considerable sum paid as premium or purchase-money for the right?—No; it is an inconsiderable sum in comparison with those which some companies have paid for their mining rights.

Q. Inconsiderable in proportion to your whole capital?—Yes.

Q. You say it is an old mine?—Yes; it has been worked before.

By Mr. Tupper:—

Q. What mine is it?—The Toronto Coal Mining Company's Mine.

By Mr. Dymond:—

Q. Was the work abandoned when you took the mine?—Yes.

Q. From what cause?—Want of capital on the part of the original owner.

Q. What are the depths of the works?—Vertical depth 136 feet, but we don't work a vertical shaft, but by means of a tunnel from the top to the coal, which is 1,100 feet, but we are extending it to 1,800 feet.

Q. From your acquaintance with Nova Scotian coal mines, is the labour of producing coal much greater than in the American mines?—Speaking of our own mine, the only expense we would be put to over and above the Ohio mines, I am acquainted with, would be in the cost of mining machinery.

By Mr. Tupper:—

Q. How do you get rid of the water?—Part of the machinery is needed for that purpose.

By Mr. Dymond:—

Q. Have you much trouble with the water?—No; to a limited extent.

By Mr. Tupper:—

Q. Are not many of the American mines so situated that the miners can go in at the side of a hill, and the mine drains itself?—Yes.

By Mr. Dymond:—

Q. How does the expense of working the Ohio and Illinois mines compare with yours? Have you any statistics?—No; although I have seen a large number of these mines. In Illinois they have vertical shafts, and can produce the coal much more cheaply than we. In Ohio it is simply the cost of running the machinery more cheaply than ours.

Q. Illinois coal does not come into competition with Nova Scotia coal?—No.

By Mr. Tupper:—

Q. Is it as difficult to mine the Ohio coal as the coal in Cape Breton?—There are just the same conditions.

By Mr. Dymond:—

Q. We have had it explained that the coal is often taken out of the hillside in the American mines, and that all that is required is to raise the coal, and it is then conveyed by gravitation to the main railway?—Our coal fields dip inwards into the earth; our only cost is in heisting.

Q. That would be a considerable addition to the cost of raising coal?—No; it is not in our case. It is about 15 cents per ton.

Q. Your mine has only been working recently; the quantity of coal raised so far is small?—A few thousand tons.

Q. You don't regard yourselves as being in full working order?—We will be this spring.

Q. That is the only mine you have been personally connected with?—Yes.

Q. What you know besides is from general observation?—Yes.

Q. When you speak of selling coal at \$1.50 free on board, do you regard the present production as being profitable, and as the average production of the mine?—The ordinary sale.

Q. What is a fair average of that mine?—It varies; last year it was 35,000 tons.

Q. Could you sell at \$1.50 if you were only raising 35,000?—Yes; decidedly we could.

Q. And if you raised 100,000 tons?—We could sell at less.

Q. Could your mine produce 100,000 tons per annum?—Next year—yes.

Q. It is simply a question of improved machinery?—Yes; just as we increase our producing capacity.

Q. To come back to the other question: At what rate could you sell that coal if you were producing 100,000?—I think we would be willing to take \$1.30 to \$1.40.

Q. The coal you raise is steam or grate coal?—Yes; and stove coal.

Q. Do you know anything personally of the strength or purity of Nova Scotia gas coal as compared with United States coal; from your own knowledge, I mean?—I only know from the analysis which has been published.

Q. You are not acquainted with the practical experience of any persons in the United States or elsewhere who have used those coals; you have not investigated that question?—I only know from the managers of the gas companies.

Q. What managers?—Of the Toronto Gas Works.

Q. Any others?—The Manager of the St. John, N.B., Works.

Q. At the Toronto Gas Works have they used Nova Scotia coal for gas purposes?—No; I believe not.

Q. Does a prejudice exist in the United States against Nova Scotia coal for gas purposes?—I should say decidedly not.

Q. You stated yesterday that you could send coal to London, Ont.?—Yes.

Q. One hundred miles west of Toronto?—Yes.

Q. Do you think you could send it there with a 50 cent duty?—Decidedly.

Q. It was in view of the 50 cent duty that you made the suggestion?—We can put the higher grades of coal in London now at prices about equivalent to Briar Hill and Youghoigheny; on the lower grades we would require a duty to do so.

Q. Do you mean that you would require no duty on the higher grades?—Not for Western Canada as far as London, provided we could get down freights; it is contingent on down freights.

Q. And on the lower grades?—We would require a duty.

Q. That is to say you would pay one dollar per ton more for shipping the coal from Hamilton to London.—Yes.

Q. If by paying one dollar more per ton for freight on coal from Hamilton to London you could sell coal in London to compete with American coal, that is, with a fifty cent duty, you could sell the same coal without a duty in Toronto?—We can sell the higher grades in Toronto now as cheaply as American coal is sold there.

Q. Cannot you sell the lower grades?—No.

Q. Then you are not speaking of sending the lower grades to London?—No; I was not speaking of the lower grades.

Q. You can send the higher grades of coal to London now without a duty?—Yes, with a down freight.

Q. It is the down freight that enables you to get a reasonable up freight?—Yes.

Q. Then at the rate you have quoted you consigned first-class coal to London without a duty?—Yes.

Q. Did you hear Mr. Dwan's evidence?—Yes.

Q. It related to first-class coal sold in Toronto?—I believe so.

By Mr. Macdonald (Toronto):—

Q. You say you could if you had a down freight, but you could not run the risk of having a down freight?—We must have a down freight, and in our contract at the present time we have a down freight.

By Mr. Dymond:—

Q. Do I understand you to say that you can put first-class coal in Toronto at four dollars?—Yes.

Q. At the present time?—Yes.

Q. You know that the prices in Toronto, as Mr Dwan stated, run according to quality from five to six dollars, retail?—Yes.

Q. Then there would be a margin of profit at those prices?—Yes; to the retailer. We can put it in Toronto at prices equivalent to the Briar Hill.

Q. About four dollars?—Yes.

Q. If you obtain that price you are satisfied?—Yes.

Q. You ascribed the increased sales of 1870 to the duty imposed in that year?—I did not know that I ascribed it to that cause. I was asked what the sales were in 1870.

Q. Do you ascribe the increased sales to that cause?—Yes.

Q. Are you not aware that subsequently to 1871 there was no duty; in 1871 the duty was taken off?—Yes; I believe so.

Q. Have not the sales largely increased since that time?—In order to tell you that, I would require to have the mining report. The sales have lately fallen off; but as a general thing they have increased as a matter of course.

Q. You increased with the duty; you increased more without the duty. How then do you arrive at the conclusion that the increase was caused by the duty?—In 1870, when the duty was put on, the importations fell off to the value of 97,000 tons; and you will find that when the duty was removed the importations steadily increased.

Q. Did the sales of Nova Scotia coal increase at the same time?—They have steadily increased since 1873.

Q. The trade in Nova Scotia coal with the British North American Provinces was, in 1871, 168,000 tons, it having been in 1870, 122,000 or thereabouts; in 1872, it was 285,000; in 1873, 337,000; in 1874, it was 338,000; and in 1875, 381,000?—That is the exportation of coal to what places?

Q. To the British North American Provinces?—What I mean is the entire exportation.

Q. The duty only affected the British North American Provinces, exclusive of Newfoundland?—Yes.

Q. The increase was some 40,000 tons, 1870 and 1871, or so the previous year?—Yes.

Q. But in subsequent years it rose to 285,000, 337,000, 338,000 and 331,000 without the duty?—Yes.

By Mr. Tupper:—

Q. Was not the effect of the duty to give a largely increased development to the mines of Nova Scotia?—Yes.

Q. Was it not followed by the introduction of a good deal of capital from the Provinces of Old Canada?—Yes; and England.

Q. What I want to know is, whether the imposition of a duty was not followed by a large number of persons in Quebec and Ontario becoming interested as capitalists in the Nova Scotia mines; was that the case?—Yes.

Q. Did not that tend to increase the amount of the sales of coal from the interest which parties in Old Canada would have in the mines?—Yes; certainly.

By Mr. McGregor:—

Q. Were you at the mines in 1870 or 1871?—No.

Q. You were only speaking, then, from hearsay?—I speak from having made the subject one of enquiry, and from what I have learned of it.

Q. But you were not there to know the effects of the duty?—I know one of the effects of the duty was to lead us to invest money in a Nova Scotia mine.

Q. And when you got it in you couldn't get it out?—We have no desire to.

By Mr. Dymond:—

Q. You say that Quebec felt most the importation of British coal?—Yes.

Q. What is the price of British coal, say in Liverpool?—I suppose there are forty different prices.

Q. What is the price of the coal which comes into competition with yours?—There is the best quality of Scotch, Welsh and Newcastle, which would be \$3.50 and upwards.

Q. That is in Quebec Province?—Yes, chiefly in Montreal.

Q. Cargoes have been sold for \$3.50?—They have been. The normal price is about \$3.75.

Q. At what price is that obtained in Great Britain?—I have seen it stated in the *London Mining Journal* at from 10 shillings to 16 shillings per ton. Coal is sold in Montreal more cheaply than at the mines and England. It costs £80 sterling to ballast a good ship with the ordinary ballast. Instead of putting in that ballast, they put in coal, so that they can even save money if they sell it at cost or less than cost.

Q. Assuming that they sell it at the same, or at a reduced rate, in Montreal, the saving of the shipper is very considerable on the voyage?—It is an economy to him if he sells it at the same or at a reduced price. It remunerates him.

By Mr. Goudge:—

Q. Coal brought in this way is bought on shipment account?—Yes. They bring it in large quantities, and sell it for what they can get.

By Mr. Dymond:—

Q. Bringing out the coal as ballast is an economical arrangement for the shipowner?—Yes.

Q. Your object is to exclude that coal from Quebec?—Yes; I think we ought.

Q. And so far as you exclude that coal, you would deprive the shipowner of any advantage he derives from it?—Yes; the foreign shipowner: but that would not deprive the home consumer of any money.

Q. Are none of these vessels owned on this side?—Some of them are.

Q. It is an advantage for shipowners to resort to our ports whether they are foreign or home?—When I say that it would be an advantage to the ship owner to buy as ballast, I mean that it would be no disadvantage to the consumer that the shipowner should be deprived of it.

Q. I am asking about the shipowner. I say that in so far as you exclude the British coal you prevent him using that coal as ballast and so disadvantage him?—Just exactly.

Q. You asserted, I think, that the exclusion of British coal would not affect the price at which your coal is sold in this country?—In the Lower Provinces it would not.

Q. Wouldn't your prices be regulated by the competition in all cases?—To a great extent it is competition between ourselves. For instance, if we got a duty of 50 cents per ton, we would derive no benefit if we raised our prices under that duty, because if we did we would have no increased sales in Montreal or Quebec.

Q. Why?—It would simply put us on a par with British coal.

Q. But the consumer would pay the 50 cents?—Yes, in that case; but there would be no increase in price.

Q. Confining your attention for the moment to trade between the Provinces, have you made any calculations as to the amount of return freight that would be equivalent to an inward trade of 250,000 tons of coal?—I have in a general way.

Q. Can you give us your figures?—Last year we had an offer to carry down twelve million feet of lumber to Sydney, provided a return freight could be arranged.

Q. If you did not take it to Sydney, where would it have gone to?—To New York or Albany.

Q. Not to Quebec?—No; it was from an American shipping firm in Michigan.

Q. That bears, not upon the question of a provincial trade, but on the foreign trade which you hope to create at Sydney?—Yes; that is it exactly: but it is in an interprovincial way, because it takes lumber down and brings coal back.

Q. I want to know, in the first instance, whether you had gone into calculations and figures as to the amount of interprovincial trade exclusively that could be done in the shape of outward freights, if we would take your coal to the extent I have mentioned. I don't think I can give you figures as to that, for I have made no exact calculations. I know that 300,000 or 400,000 barrels of flour are our down freight.

Q. Have you made no calculations and figures?—No; except in that way: that that is the amount of flour which would be required for so many vessels.

Q. You know there are rival lines of road, the Intercolonial and the Grand Trunk, competing with the steamers?—Yes.

Q. Don't you know that they are largely preferred by importers from Canada to the Lower Provinces?—In the matter of flour the steamships are preferred to the railways.

Q. Why?—Because flour will heat on the railways.

Q. How long does it take to go down by steamer?—Seven days from Toronto.

Q. And by rail?—Four or five.

Q. With far less risk of delay than by steamer?—There is not much risk of delay. The Gulf steamers run on time.

Q. Would a steamer, or any vessel adapted for these canals be suited to navigate the Gulf in all weathers?—Yes; certainly. We have steamers navigating between Sydney and Halifax much smaller than these propellers.

Q. You have not calculated as to the proportion of traffic carried by the railways and that carried by steamers?—We could not make calculations, as we have had none carried by steamers so far. As to the quantity of trade, the Cape Breton Custom House officer tells me that there were 70,000 barrels of flour coming in, and I could almost guarantee that it would come almost exclusively from Upper Canada.

Q. A large proportion—about three-fourths—does come now?—Yes; about that.

Q. By the ordinary means of communication?—Yes; by rail and steam together. It cannot go by rail to Cape Breton as there is no railway.

Q. Would vessels used for coal be able to take grain as a return freight?—Yes.

Q. It was stated in evidence before a Committee on which I served last year, that owing to the dirty nature of the coal it would be impossible to carry grain on the down trip?—I think that is a mistake, for vessels are often chartered to carry coal to Montreal and grain to Europe.

Q. Then there is nothing to prevent your carrying grain freights to our ports at the present time?—Yes.

Q. And desires no limit to the quantity of grain to be carried?—I do not quite understand you.

Q. I wish to know whether the supply of grain freights from the west is practically unlimited?—Yes; but a large quantity of the grain now shipped from Montreal would go by Sydney.

Q. That is to say, you would divert what now goes to other ports, to Sydney?—Yes.

Q. So that the problem of obtaining return freights is largely solved, you think, in that way?—Well, I have not entered into the question of grain. I was speaking of oil, lumber, flour, pork, beef, and produce generally.

By Mr. Goudge:—

Q. And principally with the view of transshipping at Sydney?—Yes.

Q. You think that the cost of transportation between Hamilton and Toronto and Sydney would be considerably less than by Montreal?—I don't think that; but I know it would be less from Sydney.

Q. Consequently freights from Sydney to England would be less than from Montreal to England?—Yes.

By Mr. Dymond:—

Q. To what markets do you look chiefly as supplied from Sydney?—All the European markets.

Q. The South American and Australian markets also?—Yes; every market in the world.

Q. If a line of steamers were plying regularly between Sydney and Toronto you think you could make Sydney an out port for the whole of the foreign markets of the world?—Yes; an out port for Canada to all the markets of the world.

Q. And the articles you referred to as forming the staples of that market would be lumber, grain, oil, pork, and beef?—Yes; pork and beef for home consumption, but manufactures going from Upper Canada would go from Sydney.

Q. But you regard these articles as the main staples?—Yes.

Q. If you can open up that trade the problem of return freights is solved?—Yes.

Q. And coal can come up at the prices you have named?—Yes.

Q. And be sold at a profit?—Yes.

Q. I think you stated that you are now engaged in commercial efforts in that direction?—Yes; we have already arranged for cargoes from Upper Canada.

By Mr. Goudge:—

Q. To what extent have you so arranged?—For three cargoes. I was asked if the pork from Canada was consumed in Nova Scotia. I see that one and one-half million pounds were exported from the United States to Nova Scotia last year.

By the Chairman:—

Q. What quantity of flour was imported?—I cannot say.

Mr. G. W. DOBSON called and examined:

By Mr. Tupper:—

Q. Where do you reside?—In Sydney, Cape Breton

Q. Were you sent as a delegate to the Dominion Board of Trade?—Yes.

Q. By whom?—By the Cape Breton Board of Trade.

Q. Have you been spending some considerable time in endeavouring to ascertain how far trade can be promoted between the Upper Provinces and Nova Scotia?—Yes; for one year.

Q. You have devoted your attention principally to that?—Yes.

Q. Are you engaged in that way now?—Yes.

Q. What is the annual consumption of coal in Canada?—Last year it was 1,415,516 tons, of which 352,414 tons was hard coal, I think. There is a little difference in our imports being made up to the 30th of June and the production by the mines return, being made up to the 31st December.

Q. Can you give a statement of the home production and the foreign imports?—The home production is 870,733 tons; that includes British Columbia. Nova Scotia alone was 709,146 tons, New Brunswick, 21,000; and British Columbia, 140,087 tons.

Q. What were the foreign imports?—793,950 tons, valued at \$3,320,300.

Q. What is the productive capacity of the Cape Breton mines?—The productive capacity of the Cape Breton and Pictou mines is estimated at from one and one-half to two millions tons, which can be increased should demand require it.

Q. How are the Nova Scotia coals situated for supplying the North American market?—Very convenient. They may be said to be on the highway of shipping from the old world to the new, and vessels westward seeking freights can touch at Sydney without going any distance out of their track. Our coal mines extend out in the Atlantic at a point where the convenience would appear to require coal.

Q. Where is the natural market of the Nova Scotia coal?—Wherever we can get a return cargo from, or get a vessel bound to a loading port. It has been stated here, by previous witnesses, that the natural market for Nova Scotia coal, is the New England States; but so far as I can see, we have no particular natural market. England sends coal all over the world, and wherever there is a demand, and we can get vessels for, is our natural market. I have been engaged in the trade for eight years, and I should say that Montreal and Quebec are as convenient markets for us as the United States.

Q. Would the securing of the Canadian markets benefit the coal owners and trade generally?—Yes.

Q. How?—It would give our coal producers the supplying of the Canadian markets; and would also give the Canadian producers the supplying of the Maritime Provinces. I might state that, last year the Maritime Provinces, inclusive of Newfoundland, imported 463,588 barrels of flour; we imported 9,284,273 pounds of meat from the United States.

Q. Why do you include Newfoundland?—Because with an inter-provincial trade, Newfoundland would be a still larger consumer of the Ontario products. My opinion is, that a steamer with a cargo of flour and meat, going down from the West to Newfoundland, would bring coal back from Sydney as the Montreal steamers do now.

Q. In what year was the coal trade most prosperous?—In 1873.

Q. How many tons was produced that year?—1,051,467 tons.

Q. How many men were employed?—5,000 men and boys, representing a population of 30,000.

Q. How many days' work did they do in the aggregate?—955,722 days' work.

Q. How many vessels were there employed in carrying the coal, and what was their tonnage?—3,604 vessels, of which 428 were steamers, representing a gross tonnage of 820,144 tons.

Q. How many seamen did they employ?—About 22,000.

Q. What amount of capital was there in circulation, directly and indirectly caused by the coal production?—The best estimate I can get places the amount at \$4,913,381.

Q. How do you propose to send coal to Ontario?—By securing the markets of the Maritime Provinces for Ontario products, and the Ontario markets for our coal we now import largely from the United States; last year our imports from the United States aggregated \$7,622,712.

Q. Those products you say, could be largely obtained from Old Canada if an interchange could be made between them and Nova Scotia coal?—Yes, very largely; I find that the coal imports into Canada are estimated at \$3,220,300.

By Mr. Goudge:—

Q. Where do you get your information as to the inter-provincial trade between Canada and the Lower Provinces?—I am speaking now of what we import from the United States.

By Mr. Tupper:—

Q. What duty on coal would you consider would be sufficient to secure the supplying of Canada from the Nova Scotia miners, and the creation of this inter-provincial trade?—I think a 50 cent duty would give us a large trade with Ontario and the Quebec market.

Q. How are the Nova Scotia coal mines situated with regard to supplying the Canadian market?—Very conveniently. We are halfway between the grain-producing centres of the West and the market of the Old World—halfway between Chicago and Liverpool. The lake vessels might terminate their voyage at Sydney, and their cargoes be their transhipped into the ocean vessels. I may say that Atlantic freights are less by 30 per cent. from Sydney than from New York, Baltimore and other American ports; and, besides, the port charges at Sydney are \$100, against from \$300 to \$1,000 at Montreal and the American ports.

Q. Does England supply distant markets with coal, as near to them as the American mines are to Ontario?—Yes. For instance, she supplies Cuba, that has American coal quite near, and San Francisco, with British Columbia coal near. Coals are shipped 15,000 miles to India, which is quite near to the China and Australian coal fields.

Q. How far west could Nova Scotia coal be sent, in your opinion?—As far west as return cargoes could be obtained. We can ship coal to Chicago or Fort William at the head of Lake Superior, if downward freights be got, or to any intermediate port.

Q. What quantity of flour and meal is consumed in the Maritime Provinces?—I find, by returns, that last year there were 286,583 barrels of flour and meal shipped

by the St. Lawrence. The Grand Trunk estimates are about 200,000, and the Intercolonial 50,000. The Grand Trunk and Intercolonial are an approximate estimate.

Q. How much in all, Canadian and imported?—1,139,000 barrels was the consumption for the Maritime Provinces, including Newfoundland.

Q. What I wish to know is the amount of Canadian produce that is consumed in the Maritime Provinces?—Last year the amount was 536,553 barrels of flour from Canada.

Q. How much beef?—I could not obtain the figures for the consumption of Canadian beef and pork in the Maritime Provinces last year. Newfoundland imported 38,000 barrels of pork, only 5,000 of which were from Canada—the rest from the United States, which shows that our markets are largely supplied by the Americans.

Q. What is the extent of the Newfoundland trade?—Last year the Americans supplied Newfoundland with \$1,600,000 worth of products. The exports and imports of Newfoundland aggregate \$12,000,000.

Q. What is the duty on flour, meal and coal going into Newfoundland?—Flour is 20 cents; meal, 20 per cent.; coal, 25 cents per ton.

Q. What would best tend to stimulate interprovincial trade?—I think the imposition of a duty on foreign coal. It is also thought necessary by steamer owners to give a subsidy to two steamboats for the first year. This would give Ontario producers the entire supplying of the Maritime Provinces. Ontario people are quite mistaken in supposing that they can command the Maritime markets by the Intercolonial Railway. There are Prince Edward Island, Newfoundland, Cape Breton and Liverpool, N.S., Yarmouth and Annapolis which import directly from the United States. They can do it much more cheaply than by Halifax and the Intercolonial.

Q. How did the duty in 1870 affect the coal trade of Canada?—In 1869 the imports were 389,485 tons; in 1870, 272,595; in 1871, 481,826. The year that the duty was on, we imported about 100,000 less than the previous year.

Q. Did Nova Scotia take more flour from Canada that year than in 1869-71?—In 1869 we imported 91,511 barrels from old Canada; in 1870, 109,950 barrels, while in 1871 our imports declined 100,096 barrels.

Q. So that the imports of flour were much larger in the year of the duty?—Yes.

Q. Did the duty increase the price of flour in the Maritime Provinces; or the price of coal in the Upper Provinces?—I find by Mr. Patterson's report that the price of flour in Montreal, in 1869, No. 1 quality, was \$4; in 1870, \$3.95; in 1871, \$4.91.

Q. So that it was actually lower when the duty was on?—Yes, lower than the previous year or the year after. Coal was also cheaper. In 1869 it was \$5 to \$8 during the season, in Montreal. In 1870 it was \$4.50; in 1871 it went up from \$5 to \$10.

Q. So that practically coal was cheaper in Montreal when there was a duty than before or after?—Yes.

Q. How has the American duty on foreign coal affected the coal trade of the United States?—It has secured the American market for the American producer. In 1864, before the duty was imposed, coal was \$8 in Boston; in 1865 it was a little below that; since that it has gone down gradually to the present prices.

Q. So that since the imposition of that duty of \$1.25, and more recently of 75c. the prices to consumers have been steadily decreasing?—Yes, and it also secured to the producer the American market.

Q. Has the production of coal in the United States increased since the imposition of the duty, and if so, to what extent?—In 1870 it was 32,000,000 tons; in 1871, 41,000,000; in 1872, 45,000,000; in 1873, 50,000,000, and the present production in the United States is 50,000,000 and some odd tons.

Q. What quantity of Nova Scotia coal could be marketed in the New England States under a reciprocal tariff?—From 800,000 to 1,000,000 tons. That is the estimate of Perkins & Job, of Boston, who are the agents for a number of the Cape Breton mines.

Q. Then materially the New York, Boston and the Eastern States would draw their supplies from the Nova Scotia mines?—Yes; to a very large extent.

Q. What is the extent of the West Indian trade in coal?—I have been paying a good deal of attention to the tropical trade. I find by returns that the imports of the whole of the West India Islands are \$200,000,000, and the exports \$250,000,000. That is the British and Foreign West Indies.

Q. What are the chief articles of their imports?—Hats, caps, brushes, brooms, pails, lumber plain and grooved, clocks, sewing machines, beef, pork, flour, kerosene oil, butter, cheese, lard, coal and fish. These are among the heaviest articles of import.

Q. Where do they get their coal from?—From England, principally. Last year the British West Indian Islands imported from England something like 750,000 tons; and from the United States in the vicinity of 70,000 tons.

Q. How does Nova Scotia coal compare with English coal in quality and in price, free on board?—In regard to quality, Professor Hows, the Geologist, places the Sydney coal on a par with Newcastle coal for steam and domestic purposes; so do McFarlane and Dawson. English coal free on board ranges from 8 shillings to 12 shillings and sixpence. I may say, also, that the French Navy imported a cargo of Sydney coal to Brest. It was examined and pronounced to be much the same as the Newcastle coal.

The following information on our deposits may be of interest;—

James McFarlane, A.M., on the coal regions of America, makes the following remarks on the Cape Breton coal measures:

“We speak from personal knowledge, having spent two successive seasons in an instrumental reconnoissance of the best portions, those situated on Great and Little Glace, Cow and Mire Bays.

“The coal beds are here of handsome size and highest quality, fully equal in all respects to our own Westmoreland gas coal beds in portability, purity, and richness of material, and in thickness and uniformity of deposit.”

Frederick E. Saword's compendium of the coal trade for 1876 gives the following analysis of English, American and Canadian coal:—

	Cubic ft.	Candles.	Quality Coke.	Specific gravity.
Newcastle	10,000			.05
Cumberland, N.S.....	10,000			
Pittsburgh, “	9,520			
Virginia	8,963			
Lingan, Cape Breton.....	9,700			
Glace Bay “	10,000	16	Good	
Caledonia “	9,700	16	Average	
Gowrie “	9,000	15	Good	
Blockhouse “	10,500	14	do	

Dr. Dawson, of McGill College, Montreal, in a letter of late date, estimates that the Nova Scotia coal measures cover an area of 3,000 square miles, varying in thickness.

Q. What quantity of sugar is consumed in Canada?—114,510,311 pounds. 37,818,598 lbs. of which comes from England and 40,154,371 lbs. from the United States.

Q. How might our trade with the West Indies be increased?—I think it might be increased by the tariff allowing the raw sugar to come into Canada for refining purposes in exchange for our coal and other products. It is a remarkable fact that England exports coal to the West Indies, takes back the raw sugar, manufactures it and sends it to Canada.

By Mr. Goudge:—

Q. On what do you base your statement that the ocean freights from Sydney are 30 per cent. lower than those from the more southerly ports?—On the fact that we have been tendered vessels by shipowners in New Brunswick and Nova Scotia at 30 per cent. less from Sydney than from the other ports.

Q. Why do you get them for 30 per cent less?—The reason is that we are 800 miles nearer Europe than New York and other American ports, and the port charges are very much less. You asked me about the receipts of sugar; I find that our imports last year were about 37,000,000 pounds from Great Britain and 40,000,000 pounds from the United States.

By Mr. Dymond:—

Q. Where does the balance of sugar come from?—Between twenty and twenty-two million pounds come from the West Indies direct. I may state that what we import from the United States and England is refined, while that which comes from the West Indies direct is raw and used so. Our consumption is about 50,000 tons. It requires a ton of coal to refine a ton of sugar, so that that amount would require 50,000 tons of coal. In addition it would give employment to 6,000 operatives, representing their wives and families, 30,000 people. To barrel a ton of sugar it requires 7 barrels; 50,000 tons would use 350,000 barrels.

By Mr Goudge:—

Q. Have you any information giving an idea of the amount and value of the inter-provincial trade—I mean the trade between Old Canada and the Lower Provinces—at the present time?—There are no statistics giving the extent of trade between the Upper and Lower Provinces, except Newfoundland. It appears from statements made to the Dominion Parliament by the Hon. the Minister of Finance, that the value of Canadian exports to Maritime Provinces amounted in 1865–66 to \$1,571,116; in 1866–67 to \$3,418,589; showing an increase in 1867, the year of Confederation, of exports to the Lower Provinces of \$1,847,473 or 117.59 per cent., while the exports from the Lower Provinces to Old Canada remained about the same. The entire trade between Old Canada and the Maritime Provinces in 1865–66 amounted to \$5,299,518; in 1866–67 to \$6,591,003. The total exports and imports of the Maritime Provinces (N. S., N. B., P. E. I. and Newfoundland) in 1865 were \$48,854,564, in 1866, \$53,526,612, and in 1876 \$42,075,217, which shows a decrease of exports and imports over 1866 of \$11,450,860. This apparent decrease of trade in the Maritime Provinces since 1866, I think, is partly owing to an increase in trade with Old Canada, of which we have no returns since Confederation. I should say, by the statistics I have of the St. Lawrence trade and my general knowledge of Canadian commerce that the Maritime Provinces and Newfoundland imported last year from \$10,000,000 to \$11,000,000 worth from Old Canada, and exported from \$1,500,000 to \$2,000,000 worth of coal, fish, oil, gypsum and other maritime products to Old Canada. The Lower Provinces now import largely from Old Canada of tweeds, ready made clothing, hats and caps, boots and shoes, manufactured wooden ware, kerosene oil, as well as agricultural products.

Q. How much do you estimate that you export to Ontario?—I cannot give you anything definite, but think it would be between \$300,000 and \$400,000.

Q. Would it amount to \$1,000,000 in all?—No; I don't think so. Ontario imported from the United States last year 4,146,841 pounds of fish, 472,716 tons of coal, which are among our largest staples of export. If we had inter-provincial trade established we could supply this market as well as Quebec.

By Mr. Dymond:—

Q. Is it not necessary for fresh fish to be carried by rail?—Yes; but fresh fish would form but a very small proportion of the Ontario imports.

Q. Your chief confidence seems to be in the establishment of a foreign trade to which Sydney shall be the outport?—Yes; the St. Lawrence at present only handles about 9 per cent. of the lake trade; the rest goes to Europe through the United States, and my idea is to increase the St. Lawrence trade and thereby add to the tolls of our canals.

Q. For both the products of the Western States and our own?—Yes.

Q. When you spoke of the largely increased consumption of our Canadian produce that might take place in the Lower Provinces, had you in your mind any impediment to that consumption existing at the present time? In other words, is there now any reason for preferring United States to Canadian flour, or American

products of any kind to our own?—No; only the present transit facilities are more convenient to and from the United States than Ontario.

Q. That is, our natural market would be in the United States, assuming there were no territorial barriers between us?—Well, for the want of increased transit facilities we import largely from the United States; whereas, if we had those facilities, the same classes of goods would be imported from Canada.

Q. Do not Nova Scotia vessels carry fish to the West Indies, and carry sugar back to the United States, and thus increase the facilities for transshipping flour from the United States ports back to Nova Scotia?—Yes.

Q. You have no facilities, in your opinion, for the transshipment of goods from the West?—We import by Montreal; steamboats ply between Sydney and Montreal; but the cost of transshipment at Montreal, and the cost of the middlemen in handling the flour is so great, that we can buy more cheaply in the United States.

Q. It has been stated that American flour is sold higher in the United States than in the Maritime Provinces?—I cannot say as to that.

Q. I think you stated, that geographically, the Eastern States would be the natural outlet for Nova Scotia coal?—No; I did not state that. Mr. Tapper asked me where was the natural market for our coal; and I stated that it was wherever we could get a cheap tonnage. The shipments from England supply half the world, and she cannot be said to have any natural market.

Q. The fact that England exports coal at a nominal rate gives her a great advantage in the way of large importations?—That is the case to a large extent.

Q. Have you examined into the causes—irrespective of the duty—of the decreased prices of flour in 1870, as compared with those of 1869?—It was owing to the prices in England.

Q. Then the duty you think was not an important feature in the change of price? No; I don't say that, but it gave Upper Canada an increased nearer market. Mr. Howland, of Toronto, told me the other day that they could turn over their goods to much better advantage in a near market than in a distant one?—Can you give us any figures as to the prices and imports of flour in the years 1869 and 1870 respectively?—Our increase in 1870 over 1869 and 1871 shows twenty thousand odd barrels.

Q. There was a general increase of imports up to that time and then a decrease?—By the Grand Trunk Railway and St. Lawrence returns I think there is a falling off since 1870.

Q. You say that the duty on coal secured the American market for the American dealers. Do you know that we sold more coal when the duty was \$1.25, than when it was 75 cents?—One particular year.

Q. Has not there been an enormous development of the coal trade in the United States during the last five or six years?—Yes.

Q. From 32 to over 50 million tons?—Yes.

Q. Has not that increased production induced a keen competition between the American Companies, leading to co-operative arrangements with the railway companies and a cheapening of freights?—Yes.

Q. Then, in fact, during the last four or five years, the American coal trade with a duty has been subjected to a more severe competition than Canadian coal without a duty?—No; I think not. Mr. Lithgow stated that he sold as cheaply before 1873 as since. When freights are high from Cape Breton to the United States ports, they are also high coastwise in the United States. The American producer contends with the same obstacles in that respect as we do. High coastwise freights injure the American producer as well as our producer.

By the Chairman:—

Q. Is there coal in Newfoundland?—No.

Q. Where does Newfoundland get its coal?—Mostly from Nova Scotia.

Q. What is the distance between Nova Scotia and Newfoundland?—The western shows from 80 to 100 miles; the eastern about 500 miles. The nearest point is about 50 to 70 miles.

Q. Newfoundland pays our import duty on coal?—Yes.

Q. What would a vessel—say of 600 tons—gain by taking a cargo on-board at Sydney instead of Montreal, increase in the way of harbour dues, pilotage and other fees of that kind?—The port charges going to Montreal are between \$1000 and \$1200.

Q. That is, the harbour, pilotage and other dues of a vessel going by way of the St. Lawrence and Montreal would average about \$1,000?—Yes.

Q. What would those expenses be by way of Sydney?—For a vessel of 600 tons they would be about \$70, cargo in and cargo out.

Q. Does Newfoundland take flour from the United States?—Yes.

Q. In case a large coal trade existed between Ontario and Nova Scotia, could Ontario supply the Newfoundland market?—Canada could supply the Newfoundland market with flour and with coal west from Nova Scotia. Mr. Robinson in his evidence alluded to the vessels going out from England and bringing coal as ballast. I think there are only five ports in England from which vessels take coal. It does not pay the vessels to change ports and bring out coal as ballast, nor can the English coal producer supply coal as ballast where they have to ship it to ports where vessels are lying. I hold that Montreal and Quebec would get more tonnage by taking coal from Sydney, than if they were dependent on English coal as ballast. Sydney is becoming the North American port of call, and vessels bound west seeking freights call there now almost entirely. On arrival they enquire for Montreal, St. John, New York, Baltimore and Philadelphia freight markets, and often Montreal quotes higher than any of the other ports; and could we get coal freights at a low rate to Montreal, Montreal would command more ocean tonnage.

Q. That is if you prevented vessels from bringing out coal as ballast?—We could furnish coal as cheaply as the English coal and could give Montreal and Quebec more tonnage.

Q. Your theory is that the number of vessels bringing out coal is very limited?—Yes; and they bring more than ballast—parts of cargoes.

By Mr. McGregor:—

Q. What security have you that the American markets will not keep dropping as they have done. Has not the general depression in trade caused a depression in coal, and are not the miners there in as bad a shape as our own?—I am not aware of that; in fact, I have information to the contrary. I have a statement from the Inspector of Mines for Ohio, which shows that their production is increasing. That gentleman, who is a valuable and efficient officer, states that several of their mines have declared dividends, while none of ours have declared dividends.

Q. Are not those mines that have just opened, and are taking the trade from the old ones?—No; I think not.

Q. Have not new lines of railways been built, and are they not cutting down prices?—The leading coal companies in the United States pay their men on a sliding scale basis, the wages going down in proportion to the price of coal, so that other companies are not at the same loss as ours are. We cannot cut down the prices without our men striking.

Q. But we have evidence that the coal is only worth 85 cents at the mine?—Well, I am taking the leading mines of the United States.

Q. How far west could you come with coal, provided you had a duty?—I think we could come as far west as Sarnia we could come as far as we could get down freights.

Q. At what price could you put the coal at Sarnia?—At the same price as at Kingston, provided the canal tolls are removed. It would only be the cost of a ton more coal to drop in at Sarnia on the way.

Q. But Sarnia is 200 miles further away?—It makes but very little difference, provided we get down freights.

By Mr. Dymond:—

Q. You think that if you could get down freights it would pay you, because you could bring up coals as they do from England—as little more than ballast?—It would work like this: Sylvester Bros., who are agents for the Armenian, have chartered her to make \$3,500 on the round trip. Of this amount the coal going down will pay about \$1,000, and the down cargoes \$2,500.

Q. What are the present rates of the Grand Trunk from Chicago to Montreal, say for grain?—I cannot give you the Grand Trunk in particular, but I can give the railway and sailing vessels.

Q. Then you cannot get us the rates to Sarnia?—No.

Q. Don't you know that the through rates to ocean ports are much less than the way rates—those to intervening points?—I don't wish you to misunderstand me. I don't speak on the supposition that the upgoing vessel would load corn at Sarnia, but that she would go up as far as Toledo and other western grain ports.

Q. Do you propose that the final destination of the vessel should be Sarnia or the American ports?—In answer to that I may say that the very thing that has prevented us signing a contract to carry 6,000,000 feet of Michigan lumber for shipment at Sidney this summer, is the arrangement of its destination in England.

Q. Your idea is, then, that the return freights would enable you to bring up the coal much more cheaply than you could otherwise do?—Yes.

Q. And that the coal could compete fairly at present rates with American coal?—Yes; in my opinion they could.

Mr. Dobson was then allowed to put in the following statements:—

COAL PRODUCED AND CONSUMED IN THE DOMINION IN 1876.

Ontario.

		Total Consumption.	Proportion of Hard Coal.
From Great Britain	5		
United States	472,716		
	<hr/>	472,721	200,000

Quebec.

From Great Britain.....	159,055		
United States	122,673		
Nova Scotia.....	117,303		
	<hr/>	399,031	122,673

Nova Scotia.

From United States.....	5,096		
Other Countries	35		
Great Britain.....	1,715		
Produced.....	709,646		
	<hr/>	716,492	
Less shipments to Canadian and foreign ports ..	408,549		
	<hr/>	307,943	5,096

New Brunswick.

From Great Britain.....	7,782		
United States	24,059		
Nova Scotia	101,890		
Produced	21,000		
	<hr/>	154,731	
Less exports	5,147		
	<hr/>	149,584	24,059

<i>British Columbia.</i>			
From Great Britain.....	85		
United States.....	63		
Home production	140,087		
	<u>140,256</u>		
Less exports to San Francisco	101,572		
		38,663	
<i>Prince Edward Island.</i>			
From United States.....	304		
Newfoundland	80		
Nova Scotia	46,908		
	<u>47,292</u>		304
<i>Manitoba.</i>			
From United States.....		282	282
Total quantity coal consumed.....	1,415,516		352,414
Total Imports	793,950	value \$3,320,300	
“ Production.....	870,733		
	<u>1,664,683</u>		
“ Exports, foreign consumption	249,167		
	<u>1,415,516</u> tons.		
Hard coal.....	352,414		
Soft coal used.....	1,063,102		

GENERAL SUMMARY OF NOVA SCOTIA MINERALS.

PRODUCTION. MINERALS.	QUANTITIES.			
	1873.	1874.	1875.	1876.
Coal.....tons.	1,051,467	872,720	781,165	709,646
Gold*.....ounces.	11,852	9,141	11,208	12,039
Iron Ore.....tons.	3,485	2,469	4,467	15,274
Manganese.....“	131		7	16
Copper.....“				45
Lead.....“				6
Gypsum.....“	120,693	104,140	95,159	80,920
Freestone, &c.....“	2,820	8,829	5,778	5,905
Limestone.....“		448	4,860	1,094
Moulding Sand.....“	130	300	100	227
Barytes.....“		208	175	

*Unsmelted Gold valued for Royalty at \$18 per ounce. The average real value of smelted Nova Scotia gold is very high, \$19.22 per ounce.

COAL Exports from Nova Scotia to Quebec for the following years :—

1873.....	187,059 tons.
1874.....	162,269 "
1875.....	189,754 "
1876.....	117,303 "

COAL Exported from Nova Scotia to the United States during the years 1850 to 1876, inclusive.

Years.	Tons.	Duty.	Years.	Tons.	Duty.
1850	98,173	24 ad.	1864	347,594	Free.
1851	116,274	"	1865	465,194	"
1852	87,542	"	1866	404,252	\$1.25
1853	120,764	"	1867	338,492	"
1854	139,125	Free	1868	228,132	"
1855	103,222	"	1869	257,485	"
1856	126,152	"	1870	168,180	"
1857	123,335	"	1871	165,031	"
1858	186,743	"	1872	154,092	.75.
1859	122,720	"	1873	264,760	"
1860	149,289	"	1874	136,335	"
1861	204,457	"	1875	89,746	"
1862	192,612	"	1876	71,634	"
1863	282,774	"			

COAL Produced in British Columbia.

Grand Total for 1876.....	140,087 Tons
do do 1875.....	113,000 "
do do 1874.....	81,397 "

The large decrease in the shipments from the Wellington Colliery was caused by the strike and the fire in the mine.—*Free Press.*

The following passed over the Grand Trunk Railway from Old Canada to the Maritime Provinces *via* Portland :—

To Nova Scotia :

152,200 barrels flour,
 5,500 " oatmeal,
 990 " beans,
 350 " pot barley,
 100 " cornmeal,
 730 tons feed,
 220 " malt,
 40 " barley,
 60 " oats,
 40 " wheat,
 34 cars oil,
 1,715 tons sundries.

To New Brunswick :

120,300 barrels flour,
 4,400 " oatmeal,
 1,200 " beans,
 280 " pot barley,
 100 " cornmeal,
 100 " oats,
 4 cars oil,
 862 barrels sundries.

SATURDAY, 7th April, 1877.

Committee met.—Mr. MacKAY in the Chair.

Mr. F. W. HENSHAW, of Montreal, called and examined :

By the Chairman:—

Q. You were appointed to attend the Committee by the Montreal Board of Trade?—Yes.

Q. Are you acquainted with the coal trade?—I am.

Q. Particularly with that of the City of Montreal?—Yes.

Q. Can you speak as to the character of the Nova Scotia coal?—Yes; for steam purposes, and that is the chief purpose for which coal is wanted in Montreal. We have several qualities of Nova Scotia coal quite equal to the generality of coal from England or the United States.

Q. How about gas coals?—Cape Breton coal, I believe, is quite equal to any coal for gas purposes, perhaps with the exception of Newcastle coal, and a very moderate amount of that is imported, owing to its very great expense.

Q. What is it that tends to prevent Nova Scotia from supplying Quebec entirely with coal?—Chiefly on account of the immense quantity of low-priced coal that comes in from Great Britain, brought out more as ballast than anything else. That is always an obstruction to the interests of Nova Scotia, to a certain extent.

Q. You are acquainted, I presume, with the fact that there is a large amount of capital invested in the Nova Scotia mines?—Yes.

Q. We have, from previous witnesses, a statement in detail respecting that; the monthly payments, &c. Can you say what the freights were for 1875?—I have most of the information I can present to the Committee, committed to writing, and, if you have no objection, I shall just read it.

Mr. Henshaw then read the following statement:—

The coal fields of Pictou County, Cape Breton and Springhill, Nova Scotia, comprise the principal deposits east of the Saskatchewan. The amount of capital invested in these fields is estimated at \$12,000,000, and which under a sound national policy, might, and no doubt would, prove of inestimable advantage to the State in the first place; and yield a fair return for their enterprise to the investors in the second. The mines of Nova Scotia in a fair working season employ a force of something like 5,000 persons, and affords the means of subsistence to about 20,000 souls, the amount paid in wages, monthly, reaches an aggregate of \$120,000; these figures I have arrived at from numerous conversations with managers of the mines and from the published statements of writers on the subject of the coal industry of N. S. The question before the Commons of Canada in this matter I hold to be one of great moment, involving as it does, one of life or death to coal mining interests, and starvation or emigration to a population of 20,000 hardy inhabitants of the soil. The bare suggestion of such a probability is certainly of sufficient moment to arrest the attention of every statesman and patriot in the country. The enterprise and industry of our people are equal to those of any other country, but they cannot achieve impossibilities. The Reciprocity Treaty of 1856 inaugurated a new era in the coal trade of Nova Scotia; previously to this treaty the total production of coal did very greatly exceed the capacity of a single mine at present. During the continuance of that treaty the actual sales had reached five times in amount those of the ten years preceding it. A free market was open to the United States, and to that country Nova Scotia exported the greater portion of the production of her mines, the last year of the treaty nearly half a million tons were exported.

Since that period, and down to the present time, the United States imposed, at first, a duty of \$1.25, and afterwards one of 75 cents gold per ton; this duty has all but closed that market against us, the returns of last year shewing only 71,000 tons as the total export to that country from Nova Scotia.

Canada has, in a spirit of far too great liberality, surrendered to the United States most of the valuable privileges she was possessed of, without securing any compensating advantages in return. While this country has scrupulously regarded not only

the spirit of its treaty obligations, but the very letter also; the United States, on the other hand, has not been slow to take advantage of any omission whereby the present treaty might be evaded. I believe we have reasonable grounds for demanding of the United States Government the free admission of our coal, as we now grant the same to them; and failing which, a duty equal to what is charged on ours be imposed on theirs. With a duty of 50 to 75 cents per ton on bituminous coal imported into Canada, Nova Scotia would be enabled to compete with the coal from the United States and Great Britain brought out as ballast—which it is impossible to do successfully at present. Consumers of coal in this country generally, and the large consumers especially, should by all means cherish the mining interests of Nova Scotia, as the great balance wheel so to speak of prices.

The capacity of our mines is vastly greater than sufficient to supply the wants of this country. Our people need not be apprehensive that by granting a small measure of protection to this branch of industry they will have dear coals, for so long as the timber trade of the Ottawa lasts, so long may they be certain to get cheap coal; timber ships returning to the St. Lawrence will bring out coal as ballast at a mere nominal rate of freight, or will load up on ship's account. But once permit Nova Scotia coal to be crushed out of market by prohibition from the United States on one side, and ballast-freighted coal on the other, the people of this country will, when too late, regret that, by withholding a simple act of justice to a struggling enterprise, they have destroyed their only protection against unjust and excessive prices. Another fact of importance is, that the greater the encouragement given to production the cheaper can coal be produced; 100,000 tons can be produced at 30 to 40 per cent. less in proportion per ton than could 50,000 tons; the tendency is, therefore, towards lower rather than higher prices. In 1875 the mines of Nova Scotia sent to Montreal direct 118,110 tons of coal, giving employment to 109 steamers and 81 sailing vessels, of an aggregate registered tonnage of 87,605 tons. In 1876 Montreal received from Nova Scotia 137,808 tons of coal, carried by 62 steamers and 79 sailing craft, of a total tonnage of 58,997. From Ports in Great Britain there were imported into Montreal in 1875, 36,449 tons of coal, of the value of \$124,166, and in 1876, 70,503 tons, valued at \$209,032. Freight rates from Nova Scotia in 1875 ranged from \$2.25 to \$2.50 per ton; in 1876 the average rate was \$2. Several of the Gulf Ports line of steamers being chartered that season at \$2.12½ per ton. Offers of \$1.85 were in some cases accepted for sailing vessels, Nova Scotia ship-owners in other cases refusing charters at this rate. I had not means at hand in time for this investigation to ascertain the quantity of coal landed at Quebec during the last and previous years, but the amount must have been large. A great quantity of this coal was sold at Quebec at \$4, \$4.25 and \$4.50 per chaldron, or, in other words, at \$2.67, \$2.85 and \$3 per ton, showing that this ballast-freighted coal could be placed on the market at a figure very little above the actual cost of freight from Nova Scotia to Montreal. With heavy odds like this against them, it is clear that some protection should be afforded or the Nova Scotia mines must cease working. I am, I think, quite within bounds in stating that for some years past the mines of Nova Scotia as a whole, have not paid more than the actual cost of the coal, realizing no dividends whatever on the immense capital invested. In addition to this already heavily weighted industry, the Provincial Government exacts a royalty of ten cents per ton, which in itself proves an intolerable burden, which should be removed at once. Policy alone should dictate this step, for it is clear that if coal mining, for the reasons set forth in my remarks, must come to an end, the revenue, which is but a small item in the account, will, of necessity cease also, and the loss to the State of a large working population will be of vastly greater importance. If the necessities of the Nova Scotia Government require the amount realized from this royalty on coal, the Dominion Government can recoup the amount, and at the same time benefit its own treasury by granting the small boon so earnestly asked for on behalf of this really suffering interest.

By Mr Tupper:—

Q. You were sent by the Montreal Board of Trade?—Yes.

Q. Were the Board of Trade aware that you intended to advocate a duty of 50

or 75 cents per ton on coal?—The facts are these: When the letter from the Committee was read to the Council they took action immediately, and I was nominated and elected. I said that if I accepted the position I wished it distinctly understood that I was going to advocate protection of the coal interests, and that if that course didn't suit them they could send some one else.

Q. They were quite aware then of your views?—Yes.

By Mr. Dymond:—

Q. Your appointment was by the Council of the Board of Trade, and not by the Board of Trade in full meeting?—Yes; they are the executive body.

Q. Of how many members does the Council consist?—Fifteen.

Q. How many were present when you were appointed?—I could not tell.

Q. Was there a majority of the whole number?—Yes. I am perfectly free to confess that. As a matter of course, I cannot be expected to represent the views of the whole mercantile community of Montreal.

By Mr. Tupper:—

Q. Are you in the coal trade?—I am the agent of one of the Nova Scotia coal companies.

Mr. Dymond moved that the paper read by the witness be put in as evidence.

Mr. Tupper seconded the motion.

The motion was carried.

By Mr. Dymond:—

Q. At what rate is the coal which comes from England as ballast sold in Montreal?—As a rule, when these timber ships cross to the other side they have their alternative of buying stone as ballast, for which they pay from two to three shillings per ton or load up with coals. They frequently load up on ship's account and take it out at a nominal rate as freight.

Q. Are you aware that it is sometimes obtained as low at Cardiff as seven shillings per ton?—Not the best quality of coal, but a great deal was brought out last year, free on board at seven shillings. That is the cost of the coal.

Q. And the ship saved in addition the cost of two or three shillings per ton as ballast?—Yes.

Q. What amount of tonnage would be represented by the coal or ballast required under these circumstances?—It depends a good deal on the shipmaster. If it is left to him, and he can obtain a fair price in Quebec, he will load entirely with it.

Q. The average tonnage of these vessels is, approximately—?—Sometimes he will take just enough for ballast; at others he will load entirely with it. The quantity of coal ranges from 300 to 1,200 tons.

Q. What mine do you represent?—The Nova Scotia or Black Diamond mine in Pictou.

Q. Are you the agent for any other collieries?—No.

Q. You confine yourself exclusively to the one you have named?—Yes.

Q. That is a steam coal?—Yes.

Q. How does it compare with the American coal of the same price?—I think that my customers like it as well as any other coal.

Q. Is bituminous coal imported to any extent from the United States to Montreal?—No.

Q. Virtually you have no rivalry to complain of from American coal?—If we had a protection against the introduction of coal into Upper Canada, if we had the amount of protection we ask for, I think we could supply Upper Canada just about as cheaply as they can get it from the United States.

Q. I am speaking of Lower Canada?—We don't complain of American competition in bituminous coal.

Q. You regard anthracite coal as legitimately a competitor, required for special purposes?—I think we might, with the protection we ask for, have induced our people to use a great deal more Nova Scotia coal than they do now. They might do away with the use of anthracite coal to a great extent.

Q. At what price can you lay Nova Scotia coal in the city of Quebec?—Every thing depends on the freights.

Q. Can you tell us what freights are as compared with what they have been in time past; give us an approximate average?—About \$4 in Montreal.

Q. And in Quebec?—Probably about 50 cents less. Any vessels intending to load at Quebec would go for 50 cents less; if her destination was Montreal for a cargo she would not discharge at Quebec any cheaper.

Q. You speak of the long ton?—Yes.

By the Chairman:—

Q. You say you can manage to lay down coal at Montreal for \$4 per ton?—Yes.

Q. What is that free on board at the shipping places?—I estimate the cost of freight at \$2, which would leave \$2 for the coal; out of that there is to come insurance, wharfage and commission.

Q. You placed it down at the rate of \$2 for the coal and \$2 for the freight?—Yes.

By Mr. Dymond:—

Q. That simply brings it to the dock?—No; it lands it.

Q. That is not gas coal?—No.

Q. We have it in evidence that the Gas Company in Montreal pay \$5.50?—If they get Newcastle coal they could get it for \$5.50.

Q. But Nova Scotia coal, from the Albion Mines?—I think they are paying pretty well for it if they pay that figure. It was a high figure last year.

Q. Have you any experience in the freight rates for coal between Montreal and Toronto?—No; I have not gone into that question.

Q. You have not gone into calculations as to the rate at which you could lay down your coal in Toronto?—No.

Q. Have you gone into calculations as to the possibility of obtaining return freights from Upper Canada or the Western States, so as to establish a systematic exchange between Sydney or Pictou and Toronto or Montreal?—Up to the present time thousands of coal men have been entirely divergent from that question, because they never could see into the probability or the possibility of a trade of that kind, but if it were once known in Upper Canada, that our coal could be laid down there as cheaply as from the United States a regular trade would be established. I think if this subject were ventilated a little there would be eventually a regular steady trade in flour and grain down and coal up.

Q. Do you mean for foreign shipments from Nova Scotia ports, or for local consumption?—I mean for local consumption.

Q. They have already a large local consumption. The difference between what they consume in Canada, and what they import from foreign countries of our heavier products, would not represent a very large addition to the present amount of coal imported?—You import half a million of barrels of flour from the United States—I speak of the Lower Provinces.

Q. You are also acquainted with the fact that the railways are powerful competitors with water communication for freights?—Yes.

Q. Of course your freights are only available by water for about seven months of the year?—Yes.

Q. Don't you consider that the increased railway communication will rather tend to direct the freight of flour and other products by land instead of by water?—I doubt if any railway can carry as cheaply as by water-borne freight.

Q. But having regard to the greater expedition by rail?—No doubt a large quantity would go in that way.

Q. You spoke of the royalty as a grievous burden?—Yes.

Q. Are not you aware that it is simply a rental for the use of the mine?—It is a matter of indifference how it is levied, or for what purpose. It is a tax on the industry.

Q. So is a man's rental, is it not?—Yes.

Q. If you purchased the fee simple for instance, and had to pay a large sum, the interest on that would also be a burden?—Of course.

By Mr. Power :—

Q. Many of the mines in the United States pay from 25 to 35 cents per ton royalty?—Perhaps they can afford to do it.

By the Chairman :—

Q. Has not Nova Scotia coal been sold lower than \$4 per ton in Montreal?—Last year was an exceptional year. A good deal of coal has been sold at less than \$4.

By Mr. Dymond :—

Q. What did you sell at last year?—I never sold any for less than \$4, but I know of some being sold at \$3.80.

Q. Do you know of any dissatisfaction having existed among buyers, with the mode in which Nova Scotia coal has been handled or supplied?—No.

By Mr. Workman :—

Q. In regard to those ships you mentioned which bring out coal as ballast, does not that enable them to take return freights at a lower rate, in consequence of getting certain prices for their coal?—Well, they have to come back to the St. Lawrence where they hail from.

Q. Why?—Because it is their home. Ships that hail from Quebec and go over with lumber and timber have to come back, and they must take some ballast.

By Mr. Dymond :—

Q. And any freight they can get on the way back is so much assistance to them on the round trip?—Yes.

By Mr. Workman :—

Q. This coal which they bring out enables them to earn so much money on the return voyage, that they can carry lumber at a cheaper rate to the English market than if they had to take other ballast?—That may be a circumstance in their favour, but I don't know that it enters into the calculations of the shipowner, because he doesn't know that when he brings the coal out he will find a market for it.

Q. Did you ever know of a cargo being sent back?—No; but I have known some that didn't pay the freight.

By Mr. Dymond :—

Q. At what ports in the United States could these vessels obtain cargoes of timber if they didn't come to Quebec?—At Savannah.

Q. They cannot carry coal to that port owing to the 75 cent. duty?—Yes; I suppose the duty is the same from Great Britain as from Canada.

Q. It is rather an advantage then to come to Quebec where there is no duty?—There is no duty there.

Q. It would be an advantage to come to Quebec rather than Savannah, because they can bring their coal there free of duty?—That depends on the rates from Savannah. Other things being equal they would rather come to Quebec than Savannah, because they bring coal out.

By Mr. Workman :—

Q. Do not vessels going to the American ports discharge their cargoes, and come around to Quebec and load timber?—Well, when I answered the question as to the American ports, I simply presumed that the freight was for the point I named, that is Savannah, and that it paid them or they would not go there. A ship would not start with a cargo of coal from England to Savannah unless they knew it would pay.

By Mr. Dymond :—

Q. From what point do they ship Michigan lumber for Europe?—Sometimes it has been brought down to Montreal.

Q. Is Boston or New York its natural outlet?—I think that they have found that from Canada is the most direct.

By Mr. Goudge :—

Q. I understand that you have a class of vessels in the Province of Quebec that trade entirely with England, and are for the purpose of carrying lumber exclusively. Is that the case?—Yes.

Q. What is the amount of that tonnage?—It is very large. I am not prepared to say the amount.

Q. As a general thing, they do not go to other ports for freight, but satisfy themselves by trading between the ports in the Province of Quebec and Great Britain?—Generally that is the case.

Q. Do you think that in arranging as to their profits, and as to what rates the ship can carry cargoes for, the freight of coal from Great Britain to this country enters into their calculations?—It enters into them in so far as this: that they have either to come back with coal or stone. If they use stone, it will cost five or six shillings; but if they bring coal, and sell it for over seven shillings, which it costs, they make so much on the freight.

By Mr. Workman :—

Q. And the vessel has so much more money?—Yes.

By Mr. Goudge :—

Q. Is it not a fact that there are many vessels of other countries—Nova Scotia, New Brunswick, and British ships—that enter into competition with that class of vessels?—Yes; if there is sufficient number to employ them.

Q. Do not they come out very often with ballast, simply for the purpose of taking home this lumber?—Frequently they do.

Q. Do you think that the fact of the ships you speak of getting coal freights from England to the Province of Quebec, lessens the rate at which lumber can be carried back?—I do not think it does; for if the market rate is, say eighty-five shillings, they are not likely to take eighty shillings, simply because they can make something out of the coal.

Q. Is it not the case, that the profits from carrying coal in this way, are very precarious?—Yes.

By Mr. Workman :—

Q. You say, if they can get eighty-five shillings, they will not take eighty; what enables them to get eighty-five shillings?—That is their freight rate.

Q. If there was small freight, they would take higher prices; and if large, they would take so much less?—Of course.

Q. If the vessels can carry a cargo of coal out to Quebec, and get five shillings freight for the difference of the cost, will they not come out to Quebec more readily than going to a port and ballasting with stone, for which they pay two shillings and six pence?—It just amounts to this, that if they save money by ballasting with coal, they are not going to reduce their rate simply because they may have made money. It will not influence them to let their ships go for less than others, for a return freight of lumber.

Q. Does the rate of freight depend on the quantity of tonnage at the port at which the shipments are to be made?—Yes.

Q. What brings that tonnage out to Montreal or Quebec?—They come out seeking freights.

Q. You say the ships come with cargoes of coal?—Simply because they are going home.

Q. Many of them are English ships, Nova Scotian, Norwegian, German, and others?—Yes.

Q. If these vessels can earn five shillings per ton on coal, carrying it from an English port to Quebec, are they not more likely to come to Quebec than if they pay two shillings and sixpence per ton for ballast?—Certainly.

Q. Therefore that increases the tonnage at Quebec?—As a rule they do not send one of their vessels until they know what is coming back.

Q. The question is this: if these vessels earn seven shillings and sixpence per ton on their cargoes from an English port, are not they more likely to come to Quebec than if they earned nothing but had to pay two shillings and sixpence per ton for ballast?—I have answered that already; certainly they would.

By Mr. Goudge :—

Q. Is it a fact that vessels bringing out coal earn seven shillings and sixpence on every ton of coal they bring out?—No; I don't believe they do.

Q. Is it a fact that most of the coal brought out from the English market is brought in lieu of ballast and sold in the Province of Quebec at about its cost value?—Yes; as nearly as possible that is the case.

By Mr. Workman :—

Q. You say that coal was put free on board at Cardiff last year for seven shillings and sixpence. Are you aware of cargoes having been sold at Quebec for seven shillings and sixpence per ton; you say the ship makes nothing?—No; not nothing. I don't say that the ship could offer to sell coal at seven and sixpence; but I do say that coal has been sold at Quebec for from \$2.50 to \$2.67 per ton; \$2.67 is about ten shillings and sixpence.

By the Chairman :—

Q. What proportion of the vessels engaged in this lumber trade come out in ballast?—I could not answer that.

Q. Do you think the majority of the vessels coming out to Quebec and Montreal bring out coals?—I think the majority of the vessels coming out for lumber do—sometimes just enough for ballast.

Q. More than one half of them?—I think so, but I would not assert it positively.

By Mr. Dymond :—

Q. Some bring out salt and pig iron?—Yes.

By the Chairman :—

Q. Does that bear the same proportion as far west as Montreal?—Vessels going to Montreal as a rule bring out a general cargo.

Q. There must be considerably under one half of the vessels coming to Quebec that bring out coals?—Yes.

Q. What proportion do you think?—I cannot say.

Q. How many ports are there in England from which coals are generally taken from?—There are five or six.

Q. Can you name them?—Swansea, Cardiff, Glasgow, Liverpool, Newport, and Greenock.

Q. Where does most of the lumber shipped from Quebec go to?—To nearly every port in the United Kingdom.

Q. Which are the principal ports?—A large quantity goes by Bristol, Glasgow, Liverpool, and London.

Q. Are a large proportion of these coal ports?—I cannot answer that.

Q. What is your belief or impression?—I have no belief or impression about it.

Q. Do you think it would pay a vessel, which is chartered, to carry timber or lumber to any port in the United Kingdom to discharge her cargo and go to any other port and take on coal as ballast?—It depends on circumstances.

By Mr. Macdonald (Toronto) :—

Q. I understand you to say that Nova Scotia coal competes successfully with United States coal at Montreal to-day?—No; United States bituminous coal comes to Montreal.

Q. Well, English coal?—No; I don't think so, or we would not ask a duty to be put on.

Q. You sell large quantities?—Contracts were made for it to be delivered.

Q. How far west of Montreal do you think Nova Scotia coal could come?—We have never placed it farther west than Brockville. My impression is that we could place it at Hamilton if we had fair play.

Mr. Roscoe, M. P., called and examined :

By Mr. Dymond:—

Q. You are interested in British Columbia coal mines?—I am a Director of the Bayne Sound Coal Company.

Q. What description of coal is produced?—There are four companies now in British Columbia and Vancouver Island working coal. There are three companies possessing five mines at Nanaimo. The Company of which I am Director owns the Comox Mine, 50 miles north of Nanaimo.

Q. What is the capital of those companies?—The first company that was started was called the Vancouver Coal Company—an English company. The mine which they bought was originally worked by a British Columbia company, who sold out to the present Comox Company for a large sum. The capital is something like £100,000 sterling.

Q. Can you give us approximately the amount of capital invested in coal in Vancouver Island?—That would be difficult to tell. The capital of our present company at Nanaimo has been raised out of new operations. They have been putting into it all the time.

Q. What is the class of coal produced by these mines?—Bituminous. Anthracite coal has been found on Queen Charlotte's Island, and a company spent a good deal of money in attempting to work it, but ultimately they were obliged to abandon it.

Q. The major part of the coal is bituminous; suitable for steam and domestic purposes?—Yes.

Q. Is it valuable as a gas coal?—Comox coal is better than Nanaimo. The latter contains about 55.5 per cent. carbon; 35 per cent. volatile matter, and 9.5 per cent. ash. The Bayne Sound coal contains 64.7 per cent. carbon; 29.55 per cent. volatile matter, and 5.75 per cent. ash. Richardson gives the average of Vancouver coal as, carbon, 60 per cent.; volatile matter, 31, and ash 9.

Q. What is the gas-producing power of any of that coal?—It is pretty high. It is sold for gas purposes at Portland and San Francisco.

Q. Is your trade chiefly with the interior?—Almost entirely with San Francisco. There is no actual coal found in the American territories, though lignite is found in some of them.

Q. Then the whole Pacific coast would require to be supplied by you?—Yes.

Q. What quantity of coal do you export annually?—Last year 140,000 tons were exported to San Francisco.

Q. At what price?—The price has been about \$5.00 or \$5.50 per ton, put on board at Nanaimo.

Q. That is Canadian currency?—Yes; gold. Last year, in consequence of heavy importations to San Francisco, by ships bringing out coal as ballast from England, it went down to a very low price; \$3.60 was the lowest price.

Q. Your answer is that you have sold it at \$5.50, but the lowest price has been \$3.60?—Yes.

Q. That is the long ton?—Yes.

Q. And that has been a satisfactory paying rate?—About \$3.00 profit. It would not cost over \$2.00 to put it down.

By Mr. Macdonald (Toronto):—

Q. What dividends were paid?—Vancouver mines paid about 10 per cent. Other companies must have made large profits, because we have been laying out a good deal of money making railways, etc.

Q. How are the mines held?—They are freehold.

By Mr. Dymond:—

Q. Are the mining lands the property of the Local Government?—The coal lands were reserved for building the Esquimalt and Nanaimo Railway. How they stand now I don't know. That has been an obstacle in the way of developing the coal.

Q. Then so far as you are concerned, your only competitors on the Pacific

Coast are—?—England and Australia. A good deal comes from New South Wales. Vessels bring out coal and carry back wheat.

Q. So that so far as a duty is concerned, it affects you all alike?—Yes.

Q. It does not affect any home industry?—No. There is a little English coal brought for blacksmith purposes.

Q. But you have no American coal to compete with?—We can hardly call it competition, because the only American coal coming there is anthracite.

Q. Does coal come from the eastern ports of the United States as it does from England—as ballast?—No.

By the Chairman :—

Q. Are there no bituminous mines in Oregon?—None in Oregon. There is lignite in Washington Territory.

Q. What is the thickness of your seams?—Six or seven feet; others are thicker.

By Mr. Dymond :—

Q. Is the coal near the surface?—Yes.

Q. So that the labour of raising the coal is very slight?—Yes; very slight.

Q. Are the mines close to the shore?—Yes, ours is $3\frac{1}{2}$ miles.

Q. Then with regard to the character of the coal, the facilities for raising and shipping it, you are perhaps as well situated as any other country in the world?—Yes.

By Mr. Goudge :—

Q. How far are your mines from the coast?—Ours is between three and four miles.

By Mr. Workman :—

Q. How does the quality of your coal compare with that of Nova Scotia?—It is just about as good, as you will see from the analysis which I gave.

By the Chairman :—

Q. Does it bring as good a price as English coal in San Francisco?—Not quite.

Q. A duty placed on coal coming from England or the United States into the Dominion of Canada would not affect you?—No. We want the duty taken off in San Francisco.

By Mr. Workman :—

Q. Would it increase the price if the duty were taken off?—Yes, it would give us an advantage.

By the Chairman :—

Q. What is the depth of your seams?—They vary very much; miners coming from other parts of the world find their experience very much at fault with us.

Q. Is the angle very acute?—No; ours is very gradual.

Q. Is it one in ten?—Hardly as much, I think. I may say that the extent of our coal fields can hardly be estimated. Richardson estimates the Comox mine at 300 square miles, and reckons the yield at close on eight millions of tons per square mile.

Q. What is the thickness of the seam?—There are two or three seams. In the Union mine, above that, it is double what I have mentioned.

By Mr. Dymond :—

Q. You have iron and limestone close to the coal mines?—Yes; on ours we have both. On another they have wonderfully large deposits of very rich iron ore combined.

Q. So that you have all the facilities that Great Britain has for large manufactures?—Yes.

By the Chairman :—

Q. Are not some of the deposits of iron on the Pacific Coast in United States territory?—I have not heard of any.

By Mr. Goudge :—

Q. Do I understand you to say that you shipped to San Francisco 140,000 tons of coal, or is that the amount you raised?—No; that was shipped to San Francisco; there must have been close to 200,000 last year.

Q. The San Francisco *Journal of Commerce* in giving the different quotations

imputed since 1862, states that 101,572 tons is the quantity, and the British Columbia *Herald* says that British Columbia produced altogether 40,000 tons?—In that case I must be in error. I have probably taken the whole production for the export to San Francisco.

MONDAY, April 9th, 1877.

Committee met.—Mr. MACKAY in the Chair.

Mr. F. McILWRAITH, of Hamilton, called and examined :

By Mr. Dymond :—

Q. You have been in the coal trade many years?—Five years on my own account and eighteen as manager of the Hamilton Gas Works, during which time of service I bought coal for the company.

Q. Where did you obtain your supplies of bituminous coal?—Mostly from Cleveland.

Q. And anthracite coal?—From Oswego.

Q. What are the mines in Ohio from which your coal is chiefly obtained?—The best description of steam coal is Briar Hill.

Q. And gas coal?—Youghoighena is considered the best.

Q. Is the anthracite coal you buy from Ohio or Pennsylvania?—Pennsylvania.

Q. Is it your practice to purchase at outport prices or delivered?—We purchase at the outports.

Q. The prices you give then would be free on board at Cleveland and Oswego respectively?—Yes.

Q. Are your coals brought to Hamilton in Canadian vessels?—Mostly in Canadian; occasionally in American ones.

Q. What is the quantity brought to Hamilton annually from these ports?—Of all kinds, about 50,000 tons.

Q. How much of that is bituminous?—Scarcely one-half; about 22,000 or 23,000 tons.

Q. About 28,000 anthracite?—Yes.

Q. Is the whole supply of coal brought to Hamilton in the way you have mentioned?—About this season of the year when stocks run low there is a little of both kinds by rail, but it costs more than by water, and they endeavour to avoid carrying it so, as much as possible.

Q. Your whole consumption is of American coal?—Yes.

Q. For what purpose is the anthracite coal chiefly used?—Mostly for domestic purposes, heating and cooking.

Q. And in what manufactures?—In foundries. For smelting iron they use the Lehigh.

Q. Bituminous is used for steam and gas purposes?—Steam, gas, and glass manufacture.

Q. What has been the average prices of bituminous coal during the period in which you have been acquainted with the trade?—On the wharf, \$4.50 per ton, for the average quality of bituminous coal.

Q. Briar Hill is regarded as the best?—Yes.

Q. What would be the average price for it?—About \$1 more.

Q. And the lowest price of average coal—I am not speaking of slack or small nut—for steam purposes?—Cheap steam coal could be laid down during that period for \$3.50.

Q. That has been an extraordinary low rate for that period?—No.

By Mr. Sinclair :—

Q. What kind of coal is that?—That is secondary steam quality.

By Mr. Dymond :—

Q. Was the price last year considerably lower than the average?—It was below the average.

- Q. What were you giving for Briar Hill coal at Cleveland last year?—\$3.50.
- Q. In currency?—Yes.
- Q. That is about \$3.30 gold?—Yes.
- Q. And freights cost about?—\$1.25. It varied of course.
- Q. Then the average price of your coal would be \$4.55?—Yes.
- Q. Was that laid on the wharf—covering the landing charges?—Yes.
- Q. And what was the lowest rate for average steam coal, as distinguished from Briar Hill, or superior coal in Hamilton, in 1876?—The average rate for an inferior quality of steam coal in 1873, was \$3.50.
- Q. The price of anthracite has varied very much during the five years you have been in the general trade?—Not much until last year, when the whole trade was thrown into confusion by the breaking up of existing arrangements.
- Q. What was the average price of anthracite on the wharf during these five years?—\$6.50 would, I think, be the average price.
- Q. Not more than that?—No.
- Q. Not so much as \$6.75 during those years?—\$6.50 would be low, I think. Prices vary considerably.
- Q. Did the price of anthracite fluctuate much last year?—Very much.
- Q. What was about the average rate on the wharf, last year?—It depended very much on the freights. At the opening of the season the price was high; and then the arrangements carried on by the producers broke, and there was a drop of \$1.40 per ton. Those who got stocks at that time would have a low average. From a month after, to the close of navigation, prices increased; so it is difficult to fix an average.
- Q. What was the lowest price at which anthracite coal, of good quality, was bought last year?—I laid down a quantity on the wharf, at Hamilton, at \$4.50.
- Q. What was the price when the season opened and before the disturbance in the trade took place?—It was close to \$6.
- Q. Do you find the demand for anthracite coal largely increased?—Very much: both as the city increases, and as the appliances for the use of it are improved. We have now an excellent description of stoves for heating and cooking by coal, which leads to an increase of coal very much for these purposes.
- Q. Are you aware of any of those appliances for using up the slack of bituminous coal?—That is all used for the lower description of steam purposes.
- Q. I speak of domestic purposes?—I am not aware of any.
- Q. Does the diminution in the supply of wood affect the demand for anthracite coal?—Yes; of course, that has an effect.
- Q. Then, do you suppose that in five or ten years the demand for anthracite coal will, from that cause be very much enhanced?—Yes; very much.
- Q. What is the quantity of coal used in manufactories by persons you are acquainted with, or with whom you do business?—The gas works use 3,000 tons of bituminous coal.
- Q. And there are the large glass factories?—Between them they use about 5,500 tons.
- Q. Any other large factory you could mention?—Stewart's foundry uses 400 tons of Lehigh for smelting iron.
- Q. And Guerne's?—I don't supply them this season.
- Q. Have you made any speculations with Nova Scotia coal?—No; I have not.
- Q. Did you ever see any that was brought to Hamilton?—I think a cargo was brought about 1869 by steamer.
- Q. What was the character of that sample?—It was not well received by the people. They had a better coal from the United States. I saw a portion of the cargo.
- Q. You examined it?—Yes; I examined it with a view of purchasing. It was not considered to be a good sample of Nova Scotia coal.
- Q. It was badly selected?—Yes; much better coal could have been brought.
- By Mr. Tupper:—*
- Q. Do you know from what mine it came?—No; the impression was that a better coal could have been brought.

By Mr. Dymond:—

Q. Do you know the price it fetched?—I did not buy any, and I think it was sold for what it would bring.

Q. It did not enter into commercial calculation?—No.

Q. As a gas manufacturer do you find American coals very satisfactory?—Yes, they are superior to any coals I have met for that purpose. I was engaged in gas manufacture in Scotland where they used Newcastle coal.

By Mr. Tupper:—

Q. Is American coal equal to Newcastle?—It is superior.

By Mr. Dymond:—

Q. Where were you engaged in the manufacture of gas?—In the town of Ayr.

Q. What are the average rates of freight for coal from Cleveland to Hamilton?—One dollar and fifty cents would be about the average during those years in which I was engaged in the trade.

Q. And from Oswego?—About 75 cents.

Q. What were the rates last year?—Less than that, owing to the depression in many branches of business.

Q. What would be the lowest rates last year for freights from those places?—From Cleveland \$1.25; from Oswego 60 cents.

Q. Are these vessels engaged in any other trade than coal?—Very many of them only take coal as a last resort, when other branches are slack. Large timber vessels bring down coal.

Q. Is that timber local or American?—I think there are both, though I have not handled it. I understand they bring it both from Michigan and from the Lake Erie shore, as well as from Georgian Bay.

Q. What is the general size of these vessels?—They would carry about 500 tons of coal—as much as they can bring through the Welland canal.

Q. Are the vessels from Oswego and Cleveland to Hamilton of that size?—Those from Oswego are a small size that do not pay to go through the Welland canal, and they bring down loads of grain to Oswego from Hamilton and other ports.

Q. The fact that the lumber trade is depressed enables you to get cheap freights for coal?—Yes.

Q. And those vessels unable to carry lumber are largely engaged in the coal trade?—Yes.

Q. They bring anthracite coal from Oswego, and have return freights from Hamilton?—Yes, that is the usual way.

Q. Do they go to any Canadian port with grain? Are they engaged at any other time in carrying grain from Oswego to Montreal or other ports?—No; I think not.

Q. Would they be adapted for a Gulf trade if they were disengaged from the American trade?—They are too small to be profitable, I'm afraid. It does not pay them even to go to Cleveland, they are so small.

Q. Have you had much experience of the comparative advantages of carrying by railway and by water?—I have imported more or less by rail, but water communication is much the cheaper.

Q. The railway is more economical as far as handling goes?—A little more. There is less waste in handling.

Q. But not sufficiently so to make you desire to give up the water for the railway?—No.

By the Chairman:—

Q. What is the retail price of the best bituminous coal in Hamilton at the present time?—\$5.50 for picked bituminous coal, free from slack.

Q. Is that delivered?—Yes.

Q. What does the delivery represent?—About 50 cents per ton.

By Mr. Dymond:—

Q. Are those cash prices?—They profess to be, but we don't always get the cash.

By the Chairman:—

Q. That is the best Briar Hill?—Yes.

Q. How high have you known Briar Hill to be sold retail in Hamilton?—\$6 per ton.

Q. You have never known it to exceed that?—Well, I have not sold it for more.

Q. Do you know if it has exceeded that price?—I could not say.

Q. What is the highest price at which you have known anthracite to be sold?—In former times, before we had means of supplementing our stocks by rail, of course the prices went up in proportion to the stocks in hand, and it has been as high as \$8 per ton.

Q. What does it sell at this winter?—It varies very much; it has been as low as \$5.50; it is now selling at \$6.50

Q. You say that \$4.50 per ton is the cost of bituminous coal of average quality; is that laid down on the wharf at Hamilton?—Yes; that is the average price extending over a number of years, and for an average quality of coal.

Q. What sort of coal would that be—lump, or slack, or what?—Large lump; nearly all lump, except what is made in handling.

Q. Do you mean that is the best kind of that character of coal?—The best for the money, but it is not Briar Hill which is considered the best.

Q. This coal that is laid down at \$4.50, is that the best quality of coal that can be had, other than Briar Hill?—Yes; for general steam purposes. Gas coal is different.

Q. Is it what you call nut coal?—No; it is a large block coal.

Q. Then it is the largest of that kind?—Yes; of that average quality, except Briar Hill.

Q. But there is no better quality of that class of coal?—We class Briar Hill and those others as bituminous coal. This is the average quality of bituminous coal.

Q. You spoke of a gas coal which you say is laid down at a price, for the last few years, of \$4.50. What is the price of a better gas coal?—That is the Youghoighena which is referred to.

Q. That is the cost of gas coal on the wharf at Hamilton?—I think it costs a little less, but I haven't bought it since I left the gas works, five years ago.

Q. Then you are not in a position to state the cost of a gas coal placed on the wharf at Hamilton?—No.

Q. Would it be much over \$4.50 per ton?—No; I think not.

Q. It would be more?—Twenty cents more, I think.

Q. At least that?—Yes; 20 to 25 cents as nearly as I can judge as to the difference between the two kinds.

Q. You speak also of \$3.50 a ton for coal laid down at Hamilton. Is that nut coal?—No; it is pretty small but it is not a nut coal.

Q. You say the price is \$4.50 for average quality; you also name \$3.50 as a price. Is it the same class of coal?—I hardly understand what meaning you attach to "class." It is a bituminous coal of inferior quality.

Q. \$3.50 is for round coal?—No.

Q. But it is an inferior coal?—Yes.

Q. Used for what purpose?—The lower class of steam purposes, where they don't require a very high power and wish to work economically.

Q. How high have you known the average quality of steam coal to be laid down at Hamilton for? You say \$4.50 is the average, what is the highest you have known it?—It has not varied very much. Prices went up during the war, but we had an equivalent in the price of gas.

Q. Since that how high have you known it?—I think the highest was in 1872, when it was as high as \$6.

Q. Is not \$3.50 rather a low price at an outport for Briar Hill?—Yes.

Q. How high have you known it to be at Cleveland?—It has been \$1 per ton higher than that.

Q. How high have you known freight to be? You stated that it is \$1.25.—I have known it to be nearly double that—\$2.40.

Q. Have you made these calculations from having the prices for each year and averaging them?—Yes.

Q. From your own experience?—Yes.

Q. How far back have you gone?—Twenty-three years as regards bituminous coal.

Q. And anthracite?—Five years.

9TH APRIL, 2 o'clock, p.m.

Mr. JOHN W. MURTON called and examined:—

By Mr. Dymond:—

Q. You are a coal merchant in Hamilton?—Yes.

Q. You heard the evidence of Mr. McIlwraith with regard to the prices of coal at Hamilton? Do you agree generally with what he has stated?—Generally speaking, without going into the differences of opinion.

Q. Is there any point in which you differ from him?—There is a difference in the way of classes or grades of coal.

Q. Is there anything in his evidence with regard to the prices of coal that you would desire to correct from your own experience?—I don't remember exactly what were the figures.

Q. What is your opinion as to the lowest rate at which steam coal was delivered at Hamilton last year?—That is the lowest grade?

Q. Lowest price of steam coal?—About \$4.

Q. What was the class of coal to which you refer?—Lump coal.

Q. Were any classes of steam coal other than lump coal sold at lower rates than \$4?—Soft nut coal.

Q. That is used for steam purposes?—Yes; when they don't require large power.

Q. That is nut coal?—Yes; the same grade as the other, only including nut.

Q. At what price did it sell delivered at Hamilton?—About \$3.50.

Q. Do the prices you quote include delivery at the wharf?—Yes.

Q. Soft Briar Hill coal has been spoken of. Does that refer to one class of coal of several varieties?—The word "Briar Hill" is now used as distinguishing a class of coal, not coming from any one mine, but from various mines producing the same grade, or distinct quality, or variety of coal. Formerly took its name from Briar Hill Bank, which ran out many years ago. All coals from the Chenango and Mahoning Valleys of that particular class—block coal—are now known as Briar Hill of different qualities. In Cleveland it is all called Briar Hill under various grades.

Q. Is it not called block coal?—Yes.

Q. What is the peculiarity of that coal?—It has a splint fracture.

Q. Can you name another sample of coal which has a different fracture?—There is another coal which nearly covers every other kind under the general name of Massachussets, which breaks with a cubical fracture.

Q. Is it a soft coal?—Yes; bituminous.

Q. Then Briar Hill is a hard, bituminous coal, and this a soft bituminous coal?—Yes.

Q. You are engaged in shipping as well as in the coal trade?—Yes; we own vessels.

Q. What is your estimate of the ordinary rate of freight between Oswego and Hamilton, or between Cleveland and Hamilton?—The ordinary average rate between Oswego and Hamilton for a number of years has been 60 cents; last year it was 45 cents; that includes the cost of putting the coal on the wharf.

- Q. When you purchase at Oswego is it free on board?—Yes.
- Q. What are the rates from Cleveland?—Last year was the lowest we experienced; it was about \$1.15 to \$1.20 and \$1.25.
- Q. How far was that below the ordinary average?—We would consider the ordinary rate \$1.45 to \$1.50.
- Q. Are your vessels engaged in any other business than carrying coal?—No.
- Q. When you go to Oswego do you take no freight down?—We never go to Oswego ourselves; we have only one vessel and we keep it between Cleveland and Hamilton.
- Q. Then you are not engaged in the general shipping trade?—Well, we sometimes carry general merchandise on board our vessel.
- Q. And with regard to other vessels than your own?—No; we do not engage in other trade.
- Q. Have you made any experiments in bringing coal from Nova Scotia?—Three or four years ago a friend of my own was acting as agent for a Nova Scotia mine, and solicited by him, I was desirous of trying a cargo, and I agreed to do so provided they could obtain a vessel to carry it. We advertised in the *Globe* and endeavoured personally to obtain a vessel and get a cargo down, but after trying for some time we could only obtain half a cargo, so we had to abandon the idea.
- Q. Of what did the partial cargo consist?—So many barrels of flour made up from different firms.
- Q. You allude to sailing vessels?—Yes.
- Q. Would the vessels with which you are acquainted be adapted for bringing coal, provided freights down could be obtained?—I presume some of them would; that navigation is somewhat of an ocean navigation, and I hardly think you could get many of them to go there.
- Q. They are a class of vessels particularly adapted for the lake trade?—Yes.
- Q. Do you know what tonnage they represent?—The vessels that bring soft coal from Cleveland and other parts on Lake Erie average about 450 tons. Vessels of 550 tons can go through the Welland Canal, but the average is, perhaps, about 400.
- By the Chairman:—*
- Q. Is that the carrying capacity?—Yes; the registered tonnage would be a little over one-half. Vessels from Oswego are smaller.
- By Mr. Dymond:—*
- Q. Do you supply any large establishments in Hamilton with coal, other than those Mr. McIlwraith has mentioned?—We have supplied both of the glassworks, and I am supplying one of them at present. It uses 3,500 tons a year. There are also two large factories in Dundas. The Dundas Cotton Mills use nearly 2,000 tons a year.
- Q. Bituminous coal?—At first they used bituminous, but afterwards they commenced to use hard coal. They have now returned to bituminous.
- Q. Is it for steam purposes?—Yes.
- Q. Do you know of anthracite coal being extensively used for steam purposes?—It has been tried and found economical in some cases, but it injures the boilers.
- Q. Does it not depend on the construction of the grates?—Yes; if they arrange the fire-dogs to suit.
- By the Chairman:—*
- Q. Does anthracite coal affect the boilers injuriously?—It has been stated that it does. I supplied a felt hat factory in Hamilton for a year or so. They thought it economical with regard to prices, but they were obliged to abandon it entirely.
- Q. They used it for steam purposes?—Yes; but they gave it up again for soft coal.
- Q. Why?—On account of the injury to the boiler.
- By Mr. Dymond:—*
- Q. Your idea of the increase in the use of anthracite is confined to the demand for domestic purposes?—Yes; and smelting.
- Q. You have large factories in Hamilton?—Yes; many of them, especially of stoves.

- Q. Do you supply Gurney's?—Yes; with Lehigh last year.
 Q. How much do they use?—300 or 400 tons, sometimes 500.

By Mr. McGregor:—

Q. What idea have you of how a duty on coal would affect your trade?—The only effect would be to make the people pay for it. A duty was put on by Sir Francis Hincks some years ago, and then the duty was removed before the season was over, and left us with our stocks on hand and the duty paid. Hamilton dealers could not bond their coal, and Toronto dealers were allowed to bond theirs, so that they escaped free of the duty.

By Mr. Dymond:—

Q. Did the duty on coal cause any Nova Scotia coal to be purchased to your knowledge in Upper Canada?—No.

By Mr. McGregor:—

Q. Would a duty of fifty cents per ton enable you to use Nova Scotia coal?—No.
 Q. You know something of the shipping from there?—Yes; I have my opinion, and it is that it would preclude any such idea as using Nova Scotia coal.

By the Chairman:—

Q. Do you know what coal costs free on board at the Nova Scotia mines?—Three or four years ago it was from \$1.75 to \$2.50?

Q. Do you think they could compete at Hamilton at those figures?—No; I cannot see how they can; because it will take vessels six times as long to make the trip. The minimum freight is \$1 to \$1.20 between Cleveland and Hamilton. I cannot see how they can make the freight to pay from Nova Scotia.

Q. You speak of Nova Scotia coal and base it on the opinion that coal could be sold from \$1.75 to \$2.50?—I believe from the information I possess that is the rate.

Q. Do you know what freights would be upwards?—I cannot tell what they are at the present time. There was an offer made to me by the late Mr. Chisholm to bring up coal for \$3.75 at that time.

Q. That, with the maximum of \$2.50, would be \$6.25?—Yes; I don't believe a vessel once making the trip would care to do it again.

Q. What is the price of Briar Hill coal laid down in Hamilton?—Four dollars and fifty cents last year.

Q. And this would be \$6.25 at those figures?—Yes.

Q. And you consider as a matter of course that Nova Scotia coal could not compete at those prices with the United States?—I don't believe it could. I don't believe it could be freighted for any such figure. A man might make an offer without knowing the details of the trip, but I don't think he would do it again.

By Mr. Dymond:—

Q. Supposing a down freight of wheat or lumber for Nova Scotia were obtained, do you think that coal could then be brought at less than \$3.75?—No; for those figures were based on that idea.

Q. The vessel you spoke of in connection with the late Mr. Chisholm was a propellor?—Yes, the propellor "Her Majesty."

By the Chairman:—

Q. What amount of duty do you consider would be necessary to enable Nova Scotia to compete with the United States in the Hamilton market?—It would be \$1.75, presuming the freight could be obtained at the rates that have been named. I presume that the best grade of coal in Nova Scotia is equal to the best grade in the United States. I don't believe the freights could be sustained at those figures, for less than \$6 per ton.

Q. Say \$2.50 at Nova Scotia, and \$3.75 freight, that would be \$6.25. The best Briar Hill would be \$4.50, leaving a difference of \$1.75. As a matter of course it would take that much to put them on an equal basis?—Yes; if those rates of freight could be obtained.

By Mr. Dymond :—

Q. Would it be possible to carry on a trade with schooners if not by steam vessels, at lower rates?—I am not enough of a navigator to know, but we expect sailing vessels to be lower.

Q. What time does it take a sailing vessel to make a trip between your port and Sydney, or Pictou?—Ten weeks.

Q. A vessel could not make more than three trips a year?—She could not make so many.

Q. How long does it take between Cleveland and Hamilton?—Fourteen days at the outside. My vessel made it last year in seven; the average is twelve.

Q. How long by steamer?—Two or three days. We never carry coal by steam.

Q. You don't supply any steamers in that trade?—No.

By the Chairman :—

Q. You are not aware that coal is very much lower than \$2.50?—I don't know as to that.

Q. Do you know the present freight rates?—No.

By Mr. McGregor :—

Q. Do you know anything of the comparative qualities of American and Nova Scotian coal?—Only from hearsay. I believe they have excellent coal in Nova Scotia, but I don't think they have anything of the Briar Hill type, though it is another question whether they have another quality equal to it.

TUESDAY, April 10.

Committee met.—Mr. MACKAY in the Chair.

Captain EDWARD ZEALAND called and examined :

By Mr. Dymond :—

Q. You are a shipmaster and owner?—Yes; a master-mariner and owner.

Q. How long have you been engaged in the trade?—As master-mariner some 37 years; and as ship owner, 25.

Q. Of what does your fleet consist?—Two sailing vessels and one propeller.

Q. What is the tonnage?—The propeller is 284 tons, new register.

Q. And the schooners?—One is 222 tons, and the other 210 tons, I think.

Q. Between what ports does the propeller mostly ply?—She trades principally between the American ports—Chicago and Toledo—and Montreal.

Q. And the schooners?—Principally between Cleveland, Toronto, Hamilton and Kingston. They take a good deal of grain from Toronto and Hamilton to Kingston.

Q. The propeller does not carry coal?—No; I do not know of any propellers that do.

Q. The sailing vessels ply between the lake ports and Hamilton?—Yes.

Q. Cleveland and Oswego?—And Sandusky. We have no particular places—wherever a cargo is offered, either on the American or Canadian side.

Q. Is their business chiefly carrying of coal?—Yes; in the summer. In the fall chiefly grain.

Q. The grain would be a return freight?—No; it is all down freight.

Q. Are they employed in carrying grain from our side to any American or Canadian port?—Sometimes we load in Toronto or Hamilton, but as a general thing we go to Toledo, Detroit and Chicago.

Q. You load with grain then and bring it through to Montreal?—Yes.

Q. You are not in the habit of making the round trip—coal one way and grain the other?—Sometimes we bring back coal from Oswego, having a cargo from Toronto and Hamilton.

Q. Then they may be said to derive their revenue as a rule, from the coal trade?
—Yes.

Q. When you bring coal from Cleveland, do you pay the toll on the Welland canal?—Yes; on the canal downwards, but not upwards.

Q. As against Nova Scotia coal there is that small toll or duty?—Yes.

Q. What is the amount per ton?—Not less than fifteen cents; I am not sure but it is twenty.

Q. Is that on a ton of coal?—Yes; that is canal toll. There is also a charge of two cents per ton on the vessel.

Q. In carrying freight, does the vessel pay the tolls, or the freight?—The vessel pays the tolls on the Welland canal and the others, except that the harbour dues are collected from the consignee.

Q. The harbour dues are chargeable to the consignee?—Yes.

Q. Are there any coals brought by the St. Lawrence?—No; there are none.

Q. What are the working expenses of a propeller of 400 or 500 tons burden, per day?—\$100 to \$125 per day.

Q. How many days would a vessel be in bringing a cargo of coal, say from Sydney to Hamilton?—The last trip I made was in 1872. We were two months and ten days to Halifax.

Q. I am speaking of the propellers?—I have not been down with the propellers, I think it would take at least one month.

Q. On the round trip?—Yes.

Q. Would there be anything to prevent your steam vessels on the lakes from running to Sydney for supplies of coal if you could obtain down freights?—There are very few propellers that have not injured themselves in that trade, for the want of machinery adapted for the purpose. They require surface condensers and other machinery which loads them down so that they are not safe for canal trade.

Q. Would it be easy to adapt the machinery for salt water purposes?—About \$1,000 would put the machinery in, but it would make them so much more dangerous.

Q. You mean that the machinery would load them down?—Yes.

Q. You are affected by the size of your vessels, and their draft of water, so far as the canals and a portion of the St. Lawrence is concerned?—Yes.

Q. Would your opinion, as a practical man, be that it would be very difficult to carry coal between Hamilton and Toronto and Sydney or Pictou?—My experience is that it would not pay.

Q. Have you entered into any calculations to show what the cost would be, as against the possibility of realizing a freight?—I have often tried, along with others, to get a freight up, for the purpose of opening that commerce; but we could never see our way clear, except in one case in 1872, when I went down for Mr. Chisholm, and then we lost money. We had \$2,650 for the round trip.

Q. Was that in a sailing vessel?—Yes.

Q. Of what tonnage?—266, I think.

Q. What amount of coal did she carry?—We took in about 500 tons at Pictou.

Q. Did you get a down freight?—Yes; it was under the inducement of the down freight that we went.

Q. Of what did it consist?—Flour, Indian corn, butter and sewing machines and other manufactured goods.

Q. Then, it was a miscellaneous freight?—Yes.

Q. You realized \$2,650 on the round trip?—Yes.

Q. What did you pay for coal?—It was the consignees bought the coal, and I could not positively say what they paid; it is too long since. I think it was somewhere near \$2, but I could not say positively.

Q. Then, you lost money by that trip?—Yes.

Q. And you have not tried it since?—No.

Q. Do you remember where you got your coal?—From the Intercolonial mine, I think.

Q. What was the quality of the coal?—It was supposed to be a good quality. They detained us for a few days, so that we might get freshly mined coal.

Q. You are a judge of coal?—Yes; I have carried and bought some.

Q. Do you know whether it was regarded as a fair sample?—I think it was considered a good sample.

Q. Did you hear the result of a trial of it?—It burnt very nicely, but there was a great deal of slack in it.

By Mr. Power:—

Q. You say there was a large amount of slack in it?—Yes; it was softer than American coal. It broke in handling and in going down the shoots.

By Mr. Dymond:—

Q. I suppose there would be no difficulty in obtaining large American down freights, if you were once to establish a trade between Hamilton and Sydney?—I think not. They are always anxious to get the cheapest route.

Q. You would not have to depend on mixed cargoes for propellers running regularly between Hamilton and Sydney?—If they had a proper class of propellers for that trade. But there will be a difficulty, for the reason that the boats adapted for the lakes draw so much less water than those for the Gulf.

Q. Your reasoning then brings you to something like this result: That a propeller could not be constructed to carry coal profitably with the present draft of water between Hamilton and Sydney, and the voyage by sailing vessels would be too tedious?—Yes; I always find when freights are dull a sailing vessel can make more money than a propeller, because the expenses are so much less.

Q. Has the American coal trade been of much assistance during the dull times?—Yes; quite a help.

Q. Has the low price of coal in the United States facilitated your business?—I don't think it made any difference; they import only as they want it.

By Mr. Power:—

Q. If freights were obtained both ways wouldn't the trade pay?—If they were, certainly; but it is a very expensive route, the most so of any part of the world.

Q. You think it would not pay propellers at all at a reasonable rate?—No.

By Mr. Dymond:—

Q. How many trips a year do you make between Hamilton and Oswego or Cleveland?—About three trips a month.

Q. I think you stated that it would take ten weeks to make the trip between Hamilton and Sydney with a sailing vessel?—Yes.

Q. So a vessel could only make at the most three trips in a season, providing there were no unusual delays?—Yes.

Q. And if laid up for repairs only two?—Yes; and it is a very dangerous route on account of the fogs and shoals.

By Mr. Sinclair:—

Q. What is the rate of freight between Hamilton and Oswego?—60 cents.

Q. And you can make the trip in ten days?—Yes; in less than a week. From Cleveland it is three trips a month. We often make the trip to Oswego in three or four days.

By Mr. Dymond:—

Q. You could make six or seven trips per month to Oswego?—Yes.

Q. What is the rate from Cleveland to Hamilton?—About \$1.50.

Q. Has it been much lower lately?—About \$1.20 last season.

Q. Is this season likely to be about the same rate?—It may be a little better; we hope it will.

Q. I think you stated that the tolls are collected on the tonnage of the freight?—Yes; on the net ton of the freight.

Q. What is the average time of one of your vessels between Toronto and Toledo or Chicago?—We can make the trip from Montreal to Chicago in about two weeks with the propeller.

Q. And with the sailing vessels?—They seldom come further than Kingston. They average about a trip a month the year round.

Q. And your opinion as a man of business is unfavorable to the creation of a trade between our ports and Sydney?—I would like to see it established, but I don't see how it could pay.

By Mr. Sinclair :—

Q. How much would you require per ton from Hamilton to Sydney to make the same profit as you do from Hamilton to Oswego?—I could not tell you that, but it would be quite six or seven times as much as from Hamilton to Cleveland.

Q. Sixty cents you said was the rate from Oswego?—Yes.

Q. At that rate it would be about nine dollars?—Yes.

Q. And if you had no handling or discharging you could do it for less?—I would not go for less if we had to go expressly for coal, without a cargo both ways.

Q. If you had a cargo both ways, for how much could you take coal from Sydney to Toronto?—In 1872 Mr. Black, agent of the Intercolonial, offered me \$3.25 to Montreal, and it is worth \$2 per ton to carry coal from Montreal to Hamilton.

By Mr. Dymond :—

Q. But are not freights lower now than in 1872?—Yes; but we made no money at that time.

Q. Why?—From the length of time required and the expense of the trip.

Q. Are these vessels that you own engaged in the timber trade?—No; not in the square timber trade; but we carry lumber from Georgian Bay, Chatham and Manitoulin Island.

Q. Where do they sail to?—To different places on the American side—principally Oswego, but sometimes Cleveland and Buffalo.

Q. Do they sometimes bring coal back?—Yes; when they go to Oswego and Cleveland.

By Mr. Sinclair :—

Q. I would like you to express an opinion as to what you believe it would require for freight between Sydney and Hamilton to make it as profitable as from Hamilton to Oswego and Cleveland?—I hardly know how to answer, for I have not calculated upon that question in any way.

Q. You stated that you could make six trips from Hamilton to Oswego while making one to Sydney?—I would rather make six trips from Belleville to Toronto than one to Pictou and back.

Mr. HERBERT WALLIS, of Montreal, called and examined :

By Mr. Dymond :—

Q. What is your position on the Grand Trunk?—I am superintendent of the locomotive and car department.

Q. The purchase of coal comes under your management?—Partially so; I know all about it from practical experience.

Q. Does the Grand Trunk use coal almost exclusively?—We use about 160,000 or 170,000 tons in the year—perhaps about one-half of our fuel supply.

Q. The rest is wood?—Yes.

Q. Is the demand for coal increasing?—Yes.

Q. The tendency is to use coal exclusively?—Yes, on the greater portion of the road.

Q. You use bituminous coal altogether?—Yes.

Q. Can you give us the distribution of the coal over districts or places?—We should receive, say at Brockville 30,000 tons; Belleville 30,000 tons; Toronto about 35,000; Montreal about 20,000; Stratford about 25,000; and I suppose the balance we should probably take to the International Bridge on the Canada side.

Q. And 20,000 at the Bridge?—Yes.

Q. From what quarter do you obtain supplies?—At the present time we take our supplies for Brockville from the United States. Eastward we are supplied from the Lower Provinces and partially from England.

Q. Having an opportunity of comparing the two coals, Nova Scotian and English,

can you tell us how they compare in quality and economy?—Taking the American coal as a whole it is superior in steam qualities to that from the Lower Provinces, though some of the latter is very good.

Q. From what mines do you obtain Nova Scotia coal?—From the Intercolonial, Black Diamond, and Aldboro'.

Q. Where do you obtain your American coal?—From the Catfish and Alleghany Valley and the Buffalo Coal Company's mine. Then there are some mines on the Erie Road.

Q. What name is given to the American coal which you get?—There is the Catfish coal; I don't know what name they give to the coal from the Buffalo Coal Company. I don't think it has any particular name.

Q. Have you lately asked for tenders for the supply of coal?—Yes; we settled them yesterday.

Q. Would you kindly state the terms on which you obtained your coal?—The price at Montreal is \$3.96 in gold; that would be free on the wharf. That is Nova Scotia coal. We have not quite determined about the English coal, but I think it is about 17 shillings sterling.

Q. That is the offer you have?—Yes; but in addition to that we pay wharfage, which would be five or ten cents.

Q. When you say you have determined, you mean that you have not accepted the tender?—We have most of them; only for a small quantity of English coal. Probably we shall not get more than 5,000 or 6,000 tons of English coal.

Q. Did you have no American tenders to supply coal at Montreal?—No; that is out of their market.

Q. Then the only coal in competition there with Nova Scotia coal is English coal?—Yes.

Q. What are the other prices?—The cost of the coal delivered in the yard at Brockville is \$3.90; at Belleville \$4.00, in gold, under the same conditions.

Q. What are the extra charges to put the coal in your yard at Montreal?—It was about 27 cents last year.

Q. That is to put it in the same position relatively as the coal at Brockville or Belleville?—Yes.

Q. Had you no tender from Nova Scotia to Brockville?—No; they only tender at Montreal.

Q. The fact is, that the freight between Brockville and Montreal is a matter of your own arrangement?—Yes.

Q. The price of Nova Scotia coal at Montreal, in your yard, was about \$3.96, and 25 cents additional, would be about \$4.20; the price of American coal at Brockville is \$3.90?—Yes.

Q. What is the distance between these two places?—125 miles.

Q. You can buy American coal, east, cheaper than Nova Scotia coal in Montreal?—Yes; there is a little difference in the weight. American coal is sold by the ton of 2,000 lbs., and Nova Scotia coal by the ton of 2,240 lbs.

Q. What is the price at Toronto?—\$3.40, gold, delivered in the yard, under the same circumstances as that at Belleville and Brockville.

By Mr. Sinclair:—

Q. Is American equal in quality to Nova Scotia?—Yes; quite equal.

Q. What price do you pay for your supply at Stratford?—We don't get any tenders there; we obtain our supplies at the Burg.

Q. What is the price at the Burg?—About \$3.07 per net ton, though we have not definitely decided to accept the tender at that figure.

Q. How do these prices range as compared with your previous experience?—I think they are lower by from 35 to 50 cents than last year.

Q. Are contracts made in the spring?—Yes; generally a little earlier than this.

By Mr. Power:—

Q. Why did not you get tenders for Nova Scotia coal delivered in Toronto?—We should be happy to accept them if we got them at lower prices than the others.

Q. No tenders were received?—No.

The Committee then adjourned until two o'clock.

Upon resuming, Capt. ZEALAND was recalled and further examined :

By the Chairman :—

When he engaged in the venture he had referred to, he went direct to Halifax and then to Pictou. He would have done better, possibly, had he gone direct to Pictou, as going to Halifax involved extra pilotage. He and his partners lost money by the trip. The trade with the Maritime Provinces had since then increased via Montreal and the Gulf Ports. Did not think the enlargement of the canals would greatly facilitate the trade with Western Canada as vessels were at present constructed, but larger vessels might be built. Where vessels now had to lighten cargo at Montreal, they would then be able to come through with full freight. To adapt a lake propellor for Gulf service would involve a cost of \$1,000 on a vessel of 284 tons with a carrying capacity of 600 to 700 tons and 11 to 12 feet draught. At present there were places where the depth of water did not exceed 7 feet to 8 feet at certain seasons, and 8 feet to 8½ feet at other periods. Going down they could run some of the rapids and could then draw nine feet. Could use fresh water till about 30 miles below Quebec. There would be no benefit from deepening the canals unless the river was also deepened. He was of opinion that the transshipment of freight from large Gulf vessels into river barges and other small craft that usually go up light would be more profitable than the through trip. Last summer, freights were carried up at very low rates; in that way the charges being scarcely more than paid for the handling. That was from Montreal to Toronto or Hamilton. He knew no steamer on the lakes with a surface condenser. The "Armenia" had a steam condenser, not a surface condenser. The "Armenia" was, he understood, engaged to ply for two trips between Sydney and Toronto. The loss by the trip in 1872 was considerable.

Mr. WALLIS re-called and further examined :

By the Chairman :—

The Nova Scotia coal supplies of the Grand Trunk were from the Intercolonial, Albion, Nova Scotia and Black Diamond mines. The coal was of the best class. Some seams were better adapted than others for steam purposes. The Cape Breton coals, so far as tried, had not proved so good, as they were friable, easily broken, and more liable to heat.

By Mr. Workman :—

The Nova Scotia mines did not tender to supply the Grand Trunk beyond Montreal; the coal was brought by vessels; there was a regular line of steamers. The American coal supplied at Toronto was brought by car from the International Bridge. There was less lost from waste from keeping heavy stocks, as they would have to do if the coal were brought from Nova Scotia. The difference by loss from those causes would be equal to from 10 to 15 per cent. If the coal were kept under cover, the loss would be less.

By the Chairman :—

The American coal they were using was from the Shawnee Valley. It was a large coal, and well screened. Coal would be carried from the International Bridge to Toronto at half a cent per ton per mile, taking into account return freights.

By Mr. Dymond :—

The present prices were some 30 cents a ton below the average.

By Mr. Workman :—

Did not think a duty of 50 cents a ton would help Nova Scotia coal at Toronto, nor even a duty of a dollar a ton. Was not aware of contracts for Nova Scotia coal being made at Toronto; did not believe it could be done at a profit at \$4 a ton; knew nothing of water rates, and based his calculations on railway rates.

Mr. DUNCAN McTAGGART, Fuel Agent, Grand Trunk Railway, was called, and corroborated the evidence given by Mr. Wallis.

WEDNESDAY, 11th April, 1877.

Committee met.—Mr. MACKAY in the Chair.

Mr. J. M. VERNON, Merchant, Montreal, was called, and made the following statement:—

With your permission I shall present what information I may be able to furnish the Committee with, under the three following heads:—(1) The area of the coal fields, the annual production, the imports and exports, and the quality of the coal throughout the civilized world. (2) Coal the primary agent of national progress and power, and (3) The coal fields of Nova Scotia, the ways and means of development and transportation by water and rail. I shall first give you the area of coal in 1845 from the most reliable sources:—

Countries	Square Miles
United Kingdom.....	12,000
United States.....	133,132
France.....	4,729
Belgium.....	529
Canada.....	18,000
Spain.....	3,408

I may remark in reference to the area of the coal fields of Canada that the figures I have given represent the estimated area, but the coal deposits of the Dominion, when the vast territory of our North-West is explored, will, no doubt, show thousands of square miles of coal not included in the above estimate.

The annual productions of coal in 1845, and at a later period, respectively, from the most reliable sources, at the respective dates were as follows:—

Country	Date	Tons	Date	Tons
United Kingdom.....	1845	31,500,000	1873	127,016,747
United States.....	"	4,400,000	"	45,413,400
Germany.....	"	3,817,190	1872	42,324,469
France.....	"	4,141,617	1873	16,500,000
Belgium.....	"	4,960,977	1872	15,658,948
Austria.....	"	659,340	"	10,443,998
Russia.....			"	1,097,832
Australia.....			"	942,510
Nova Scotia.....	1845	150,674	1876	634,207
Spain.....			1873	570,000
India.....			1868	547,971
Chili, Japan, &c., (Estimated).				1,000,000
Total.....		49,629,798		262,150,082

This shows an increase of production of 434 per cent. in 28 years.

By the Chairman:—

Q. How have you acquired your knowledge of the coal trade?—By practical experience in transportation for more than a quarter of a century.

Q. Between what points?—Between the United States, Canada and Europe.

Q. You are practically acquainted with the coal trade?—Yes.

Q. From the Province of Nova Scotia?—Yes.

The Witness continued: The production of the United Kingdom increased 332 per cent. in the period I have named; the United States, 909 per cent.; Germany,

1,013 per cent. ; France, 275 per cent. ; Belgium, 215 per cent. ; Austria, 1,470 per cent. ; Nova Scotia, 322 per cent. The value of coal in 1873, in the United Kingdom, in the place of production, amounted to £47,631,280 sterling ; Scotland produced 17,000,000 tons ; Wales, 12,000,000 ; Ireland, only 103,435 tons. There were 12,617,566 tons exported, valued at £13,183,511 sterling. The export in 1847 only amounted to 2,483,161 tons, valued at £1,087,122. The number of persons employed in the coal mines in 1872 was 393,344, and the average produce of coal of each was nearly 314 tons. In 1873 the manufacture of iron consumed 35,119,709 tons ; steam power in manufactories, 27,550,000 tons ; domestic consumption, 20,050,000 tons. The amount of coal consumed by the manufacturing industries of the country, railways and navigation, may be set down at 100,000,000 tons. In 1854, the production in round numbers was 64,000,000 tons, and at 1873, a period of nineteen years, it had reached 123,000,000, the production having nearly doubled in that time. The coal production of the United States was in 1840, 1,849,317 tons ; in 1853, 5,195,151 tons ; in 1865, 24,400,000, and in 1870, 36,622,131, an increase in 30 years of nearly 1,900 per cent. In 1870 there were 7,694,368 tons of coal used in the manufacture of iron. In 1864 the production of coal, in round numbers was 22,500,000 tons, and in 1873, a period of twenty years, 35,400,000, the product having nearly doubled in that time. The value of coal imported into the United States, in 1874, was \$1,950,425, of which \$539,664 worth was from New South Wales. In 1875 the value was \$1,798,689. The imports of coal for 1874 amounted to \$3,823,750, and in 1875 to \$2,620,569. The production of coal in Germany has been nearly doubled since 1862, and in Prussia there has been an increase of 152 per cent. in ten years. 85 per cent of the coal raised is retained for home consumption, and 15 per cent exported. Coal is the most important natural production of Belgium. In 1871 the total production was 13,733,176 tons, valued at £6,152,120 sterling, and in 1872 it rose to 15,658,948 tons. The number of hands employed in the coal mines, in 1871, was 94,186, and the average daily pay of the workmen 2½ francs. I need not refer to the other countries whose production of coal appears in the table I have read, further than to remark that the statistics of Sweden, Norway, Spain, Japan, China, &c., are very imperfect in regard to the output, and have been estimated, most probably, below their actual production, at one million tons. The coal fields of Canada, being second in magnitude and the least in output, require more than a passing glance. The coal fields of Nova Scotia have been worked since 1785, at which time it appears from the Report of the Department of Mines, that there were sales of 1,667 tons ; in 1800, 8,401 tons ; in 1820, 9,980 tons ; in 1840, 148,298 tons ; in 1851, 153,499 tons ; in 1854, the year before reciprocity with the United States, 234,312 tons ; or an increase of nearly 53 per cent. in three years. The sales of Nova Scotia coal from 1861 to 1876, inclusive, were as follows :—

<i>Date.</i>	<i>Tons.</i>
1861.....	326,429
1862.....	395,637
1863.....	429,351
1864.....	576,935
1865.....	635,596
1866.....	558,520
1867.....	471,185
1868.....	453,624
1869.....	511,795
1870.....	568,277
1871.....	596,418
1872.....	785,914
1873.....	881,106
1874.....	749,127
1875.....	706,795
1876.....	634,207

By Mr. Gouge:—

Q. Where do you gather the information you have just given us?—From the reports of the mines, and from the records of the United States. In comparing them, I found a good deal of discrepancy, but I believe the figures I have given you are as correct as can be obtained.

The Witness continued: The sales to the Province of Quebec were 189,754 tons, in 1874; and 117,303 tons, in 1875, a falling-off of thirty-eight per cent.; and the sales to the United States were 89,746 tons, in 1874; and 71,634, in 1875, or a decrease of twenty per cent. The report of the Foreign and Domestic Commerce of the United States, made up in 1863, by the Secretary of State, gives the importation of coal from Nova Scotia, from 1855 to 1863, inclusive. They appear in the following table, the other dates having been taken from the United States and Nova Scotia reports:—

Date.	Tons.	Date.	Tons.
1850	98,173	1866	404,252
1853	120,764	1870	168,180
1854	139,125	1872	154,092
1856	120,446	1873	264,760
1860	149,279	1874	138,335
1863	282,767	1875	89,746
1865	465,194	1876	71,634

In 1853, the duty was twenty-four per cent., *ad valorem*; from 1854 to 1865, inclusive, coal was, of course, duty free, under the Reciprocity Treaty. From 1866 to 1872, the duty was \$1.25-per ton; since 1872, 75 cents per ton. The export of coal, in 1854, was greater than in 1874; and in 1850, it was thirty-seven per cent. greater than in 1876. It appears that the duty charged by the United States has had very little effect upon the coal trade with Nova Scotia, and the decrease in shipments cannot be solely attributed to the duty of 75 cents per ton. The importation of coal and coke into the Province of Ontario, all being from the United States, is as follows:—

Date.	Quantity in Tons.	Value.	Average Price.
1872	230,491	\$ 1,001,103	\$ cts. 4 34
1873	333,365	1,414,686	4 33
1874	525,625	2,372,250	4 53
1875	384,178	1,879,168	4 89
1876	472,716	2,055,299	4 35
Total.....	1,944,275	\$8,752,506	\$4 50

The receipts of 1876 were more than double those of 1872. This increase is owing to the extensive use of coal on railways, and from an increase in manufactures or in domestic use. The imports into Ontario, Quebec and Manitoba were, according to United States returns:—

	1874.	1875.
Bituminous (tons).....	256,863	361,490
Anthracite do	324,777	491,912
Total.....	581,640	763,402

In 1874 the importation of bituminous was 42 per cent. and that of anthracite 58 per cent; and 1875, bituminous was 47 per cent of the whole and anthracite 53. The following table shows the imports of coal and coke into the Province of Quebec :—

Year.	From United States.		Total Imports.	
	Quantity	Value.	Quantity.	Value.
	Tons.	\$	Tons.	\$
1872	57,780	269,734	218,133	853,369
1873	108,240	426,373	208,760	966,350
1874	120,470	573,670	243,238	1,221,158
1875	106,332	532,990	237,639	1,037,475
1876	122,673	618,930	281,728	1,078,165
Totals.....	515,495	2,421,697	1,189,498	5,156,517

The average price of coal imported from the United States for five years was \$4.70 per ton; from Great Britain, \$4.05.

The amount of the imports in 1876 exceeded that of 1872 by 28 per cent; but the imports from the United States increased during the same time 112 per cent.

By the Chairman :—

Q. Is the comparison you have made of average prices of imports from the United States and from Great Britain (viz. \$4.70 and \$4.05) a comparison between the same ton, i.e., the long or the short ton as the case may be?—No; Great Britain uses the long ton and the United States the short ton.

The Witness continued: The following table gives the imports of coal and coke into the Provinces of Nova Scotia and New Brunswick, from the United States :—

Years.	Nova Scotia.		New Brunswick.	
	Quantity.	Value.	Quantity.	Value.
	Tons.	\$	Tons.	\$
1872	7,641	38,453	23,561	123,312
1873	5,659	27,940	26,443	119,086
1874	12,084	67,349	25,841	142,503
1875	6,679	33,886	23,687	116,188
1876	5,096	24,754	24,059	120,908
Totals.....	37,159	\$193,382	128,591	\$621,997

Thus it will be seen that Nova Scotia imports from the United States an average of 7,437 tons, valued at \$89,474, or \$5.30 per ton, and that New Brunswick imports annually 25,718 tons, valued at \$124,399, or an average of \$4.83 per ton. The next table gives the total imports of coal and coke into the Dominion of Canada during the respective years named, and also the amount imported from the United States:—

Years.	From United States.		Total Imports.	
	Quantity.	Value.	Quantity.	Value.
	Tons.	\$	Tons.	\$
1872	311,091	1,375,384	484,824	2,015,247
1873	463,858	1,963,978	574,308	2,558,723
1874	671,224	3,081,341	804,827	3,805,353
1875	512,835	2,254,771	652,435	3,076,088
1876	625,203	2,824,975	793,880	3,320,060
Totals.....	2,584,211	11,770,449	3,310,276	14,775,471
Average .	516,852	2,355,089	662,055	2,955,094

The average cost of coal from the United States was \$4.55½ per net ton, which would be equal to \$5 per long ton; whilst the imports from the United Kingdom cost only \$4.15 per ton. The following are the exports of coal from Nova Scotia and New Brunswick during the years named:—

Years.	Nova Scotia.	New Brunswick.
	Tons.	Tons.
1868.....	252,760	12,575
1872.....	292,747	2,469
1873.....	364,899	6,013
1874.....	360,184	6,627
1875.....	222,856	5,616
1876.....	170,517	5,147
Total	1,663,963	38,447

It thus appears that the export from Nova Scotia in 1876 was 48 per cent. less than in 1868, and 114 per cent. less than in 1873. The following table shows the consumption of coal, foreign and domestic, in the Dominion, exclusive of the amount used in the mines, and exclusive also of the coal consumed in British Columbia:—

	Total Imports.	Native Production.	Total Consumption.
	Tons.	Tons.	Tons.
1872	484,826	490,698	975,524
1873	574,308	510,194	1,084,502
1874	804,827	382,716	1,187,543
1875	652,435	478,323	1,130,758
1876	793,880	458,433	1,252,313
Total	3,310,276	2,320,364	5,630,640

Nearly 59 per cent. of all the coal consumed is imported, and 41 per cent. is of native production. The following tables shows the relative value of different coals for making gas. The first gives the number of cubic feet of gas produced by each kind of coal:—

	Cubic feet.
Wigan Cannel.....	15,426
Scotch (average).....	12,650
Newcastle do	9,750
Pittsburg.....	9,520
Cape Breton (Cow Bay).....	9,500
Virginia.....	8,960
do Western.....	9,500
Pictou and Sydney.....	9,000

Harswell gives the evaporative power of different coals:—

	Specific gravity.	Steam from water, at 212° by 1 lb. coal.
Newcastle.....	1,257	8.66
Pictou (Cunard).....	1,318	8.48
Pittsburgh.....	1,258	8.20
Scotch.....	1,519	7.08
Liverpool.....		7.84
Lehigh.....	1,590	8.93

Overman gives the percentage of carbon in the various kinds of coal, as follows:—

	Per cent.
Cumberland	74.29
Pictou	65.98
Pittsburgh.....	54.97
Liverpool.....	54.90
Scotch.....	48.81

It appears then from these authorities that Nova Scotia coal holds a high standard as a gas and smelting coal. It is superior to Pittsburg coal, and also to a very large majority of United States and Scotch coals.

The second of the heads under which I proposed to make my observations to the Committee, is: Coal—the primary agent of national progress and power. This is the iron age. People who work iron partake of its strength and hardy nature. Great Britain and Spain give a striking illustration in this connection. Spain, which once held the commerce of two hemispheres, spent her national energies in filling the coffers of her people with the precious metals from Mexico and Peru; England, on the other hand, developed her mines of coal and iron, and pushed her manufactures by all the appliances of science and art. While Spain squandered her gold and lost her commerce; while the flag of Britain to-day covers three-fifths of the mercantile tonnage of the world. National progress may be traced directly to the production of coal and iron, a fact which is fully demonstrated by figures, which, I shall give the Committee. They have been taken from the most reliable sources.

First, I will give the production of pig iron by the various nations of the world:—

	Tons.
Great Britain, 1873.....	6,566,451
United States, 1873.....	2,560,962
Germany, 1872.....	1,664,802
France, 1873.....	1,381,000
Belgium, 1872.....	652,565
Austria and Hungary, 1871.....	424,606
Russia, 1871.....	354,000
Sweden, 1872.....	322,000
Lunenburg, 1872.....	300,000
Italy, 1872.....	73,709
Spain, 1870.....	54,007
Norway.....	20,000
South America.....	15,000
Canada, 1871.....	10,000
Japan, 1871.....	9,370
Switzerland, 1872.....	7,500
Asia.....	40,000
Africa.....	20,000
Australia.....	10,000
Total.....	14,485,972

In 1856 the annual production of the world was about 7,000,000 tons. The following table shows the production of pig iron in the United Kingdom and in the United States during the years named:—

	United Kingdom, (Tons.)	United States, (Tons.)
1860.....	3,826,752	919,770
1864.....	4,767,901	1,135,996
1870.....	5,963,515	1,865,000
1873.....	6,566,451	2,868,278

The production in the United Kingdom increased in 13 years 71 per cent, and in the United States 212 per cent. The American duty upon pig iron in 1850 was 24 per cent *ad valorem*; in 1860, \$6 per ton; in 1864, \$9 per ton; in 1870, \$7 per ton; and in 1874, \$7 per ton. The total production of pig iron by the United Kingdom in 1871 was 6,627,179 tons, and in 1872, 6,741,929 tons, showing a decrease in 1873, compared with 1872, of 3 per cent, while the United States increased 54.3 per cent. The production of pig iron in Germany in 1868 was, 1,160,692 tons; and in 1872, 1,606,534 tons, an increase of 38.4 per cent, and the production of coal has been doubled since 1862. The increase in pig iron in the United States corresponds with the increase in the consumption of coal, as the following table will show:—

	Pig iron (tons.)	Coal (tons.)
1865	931,582	24,400,000
1866	1,350,343	28,855,918
1867	1,461,626	28,361,847
1868	1,603,000	31,479,114
1869	1,916,641	33,761,010
1870	1,865,000	36,622,131
1871	1,912,608	37,861,415
1872	2,854,558	42,749,243
1873	2,868,278	45,410,400

The iron interests of the United States in 1870 are worthy of consideration, as represented by the following figures :—

Capital invested.....	\$193,971,791
Wages per annum.....	71,316,671
Value of products.....	315,437,583
Value of fuel used.....	36,183,811
Coal used (tons).....	7,694,368
Charcoal (tons).....	632,408
Hands employed.....	132,444

There were 4,494,758 tons of ore used, which cost \$26,510,080, or about \$6 per ton. One-sixth of all the coal produced was consumed in the manufacture of iron, and the average rate was \$4.33 per ton. New England pays from \$6.25 to \$8 for her coal. These figures, I may say, are from the report of the Railway Commissioners of the State of Massachusetts. In 1873, 27½ per cent of the coal products of the United Kingdom was consumed in the manufacture of iron. There were 15,577,499 tons of iron ore mined, and 1,000,000 tons imported. Comparing the iron and coal interests of Canada with those of the United States, we find a production of 10,000 tons of pig iron and 634,000 tons of coal, against 2,868,278 tons of pig iron, and 45,413,000 tons of coal. The relative rates, according to population, to be equal to the United States, should be 4,541,000 tons of coal, and 286,800 tons of pig iron. The following table will show the progress of the United States manufactures during the last three decades :

	1850.	1860.	1870.
Population.....	23,191,876	31,443,321	38,558,371
Capital invested	\$553,245,351	\$1,009,855,715	\$2,118,208,769
Wages paid.....	\$236,765,464	\$378,878,966	\$775,589,343
Products	\$1,019,106,616	\$1,885,861,676	\$4,232,325,442
Hands employed	957,059	1,311,246	2,053,996
Wages per capita.....	\$236 94	\$289 00	\$377 80
Products per capita...	\$43 94	\$60 00	\$109 76

The following table will show the manufacturing interests of Canada in 1871 :—

Capital	\$77,964,020
Wages	\$40,851,009
Products	\$221,617,773
Hands employed.....	187,942
Wages, per capita.....	\$217 40
Products, per capita	\$63 59

The next table gives the consumption of coal in some of the cities of the Western States, in 1869 and 1873, respectively, as stated by Prof. Mansfield, State Geologist of Ohio :—

	1869.	1873.
Cincinnati.....	1,020,000 tons.	1,482,000 tons.
Chicago.....	790,000 "	1,398,024 "
Milwaukee.....	87,960 "	210,191 "
Cleveland.....	922,757 "	1,100,000 "
Toledo.....	21,457 "	37,868 "
Sandusky.....	10,000 "	100,000 "
Detroit (estimated).....	200,000 "	370,500 "
Distributed from Columbus.....	53,600 "	804,819 "
Totals.....	3,105,774 "	5,503,402 "

This is an increase of 80 per cent. in four years in these cities. The consumption of coal in the Dominion in 1873 was 31,084,000 tons. So that the city of Cleveland, Ohio, actually consumes more coal than the whole Dominion.

By Mr. Tupper :—

Q. How do you account for the largely increased consumption of coal in Cleveland?—It is on account of the large rolling mills there.

Witness continued :—

It was considered by many eminent railway men that one cent per ton per mile was the lowest figure possible which through freight could be carried, but now half a cent per ton for through freight would be considered exorbitant. I hold, however, a well managed road properly equipped with improved rolling stock can carry through freight at one third of a cent per ton per mile, and pay 8 per cent. on capital invested, providing the traffic is over 500,000 tons. The cost of transportation depends in a great measure upon quantity and regularity of supply so that the rolling stock, etc., may be constantly employed.

If a regular trade be carried on between our Maritime Provinces and Ontario, the 50,000 tons of cereals, which now go *via* New York and Boston would be moved by rail or steamer, and coal could be carried back as return freight, delivered in Toronto at \$4.50 long ton. Coal fresh from the mine and delivered by rail is worth 50 cents per ton more than coal that undergoes the dumping process and exposed to the weather in the yards.

The development of our coal fields are of the utmost importance to the country at large, and Ontario is as much interested in this matter as any other Province of the Dominion. But there is no reasonable hope to be indulged in until our iron interests are developed. The iron ores of Canada comprise hematite, limonite, magnetite, &c., &c., equal to any in the world for purity and richness. The magnetic oxide deposits on the Moisie have no superior in the world.

It may be estimated that 4,000,000 of tons of coal would be consumed annually in the Dominion; and under a fair development of home industry, about 300,000 tons of pig iron would be demanded annually. To make this would require the labour of 13,000 men, and the mining of the coal 20,000 men. Thus it is seen that by encouraging these two branches of industry, the labour of 33,000 men are required annually, and which would represent a population of 120,000.

The transportation of this coal and iron alone would double the tonnage of our ports and treble the traffic on our railways, and place us in a position to command the trade of the West and our great North-West which seek other channels to tide-water.

Let the Government extend its fostering care over our national industries, and there is no difficulty in the way of supplying Ontario with Nova Scotia coal for her manufactories and domestic consumption as cheaply, if not cheaper, than she now obtains it from the United States, and much cheaper than the New England States pay for their supply from Virginia and Pennsylvania. New England pays from \$6 to \$8 per short ton for the coal, and yet she submits gracefully to a 75c. per ton duty because her other industries are amply protected against foreign competition.

Let the Government place us on an equal footing with the United States, by charging them 75 cents duty per short ton, and we will give Ontario as cheap coal as she now receives, and we will be enabled thereby to command our own market, and the \$3,320,000 spent annually for coal from other countries will remain at home.

The average cost for five years of the coal imported into Ontario was \$4.50 the short ton, or \$5 the long ton. Then an arrangement in progress by which Toronto will receive coal at \$4.50 the long ton, or about \$4 the short ton.

When this coal trade to the West is fully established it will enable railways to carry the products of our Western Provinces to market lower than was ever contemplated by any railway man.

There is another point which operates very materially against the coal interests of Nova Scotia. I refer to the tax of ten cents per ton levied by Nova Scotia as a royalty for the right to dig under the earth.

I do not pretend to say that I am qualified to give an opinion as to the constitutional right of one Province levying a tax upon the products of another, and yet this royalty is nothing more nor less than an export tax upon a necessary of life which the other Provinces are obliged to use. Ontario would certainly have the same right to tax petroleum as Nova Scotia has to tax coal.

Suppose our coal and iron interests should increase during the next decade, as before stated, and 4,000,000 tons of coal was used, the tax would amount to \$400,000 annually, and which would be an indirect tax upon the consumers in the other Provinces, which, in my opinion, Nova Scotia has no right to do.

As an illustration of the close relations of the coal trade to the general industry of the country, especially the iron trade, the following calculations may be interesting:—

The Canadian Pacific Railway, from Thunder Bay to the terminus on the Pacific, may be estimated at 2,000 miles. It will require 300,000 tons of pig-iron to make rails, fastenings and bridges, and about 80,000 tons for rolling stock, &c.

To produce this quantity of pig-iron will require about 800,000 tons of ore, and 1,200,000 tons of coal. To move this ore and coal, &c., for the purpose of manufacture, will take about 120,000 tons of coal.

The total consumption of coal in making rails, fastenings, iron for bridges, and rolling stock and for transportation of the same to points of use, &c., cannot fall short of 1,500,000 tons. This quantity could absorb the output of two ordinary mines for ten years, and increase the coal trade of Nova Scotia 150,000 tons for ten years.

It would take two rolling mills ten years to produce the rails and iron; and the labor required for mining, manufacturing iron, rails, bridges and rolling stock, and transportation to and fro of all the various articles specified, will be over 3,000 men, representing a population of 15,000 people who would be directly fed and clothed for ten years, by simply developing these sources of wealth as indicated.

MONDAY, 16th April, 1877.

Committee met.—Mr. MacKAY in the Chair.

Mr. FRANCIS CLEMON, Coal Merchant and Director of the Ottawa Gas Company, called and examined:

By Mr. Dymond:—

Has been a Director of the Gas Company for ten years. Trades in both bituminous and anthracite coal. Obtains supplies of bituminous coal from Nova Scotia and the United States. Formerly purchased in Great Britain, but has discontinued since 1873, owing to the advance in price. Buys chiefly from the Caledonia Block House, Intercolonial and International Mines. Uses 3,000 tons of gas coal per annum. That is the highest quality of coal, and cost last year \$5.75 per ton of 2,240 pounds. The cost was made up as follows: Initial cost, \$2; freight to Montreal, \$2; harbour dues, 10 cents per net ton; insurance, 3 cents per ton; freight to Ottawa, \$1.60—total, \$5.75. This year was offered coal at the mines above named for \$1.50;

freight to Montreal, \$2; harbour dues, &c., 13 cents; freight to Ottawa \$1.50—total, \$5.15 per gross ton. Has bought the Willow Bank, United States, coal, last year, at \$5 per net ton, and the Youghoighena at \$5.90; in both cases the charges included delivery on the wharf at Ottawa. At the above rate American coal would come to \$5.62½ for Willow Bank and \$6.64 for Youghoighena. The latter yields a large percentage of gas, and gives a greater illuminating power than Nova Scotia coal; it is also free from sulphur. Youghoighena will yield 10,000 cubic feet of gas per ton. The yield of Nova Scotia coal is gradually increasing; a few years ago it was 6,500 cubic feet; at present he could get from 7,500 to 8,000 cubic feet per ton. The reason of the improvement was, he believed, that the deep coal was much better for gas purposes than that near the surface. He now made it a condition that the coal should be freshly mined and not taken from bank. Nova Scotia coal was rapidly gaining in favour, owing to the greater care in supplying it; but still there was a difference of 25 per cent. in favour of the Youghoighena coal. The latter was a large lump coal, while Nova Scotia coal was soft, friable and liable to combustion. He found, however, that a mixture of the two coals proved satisfactory and economical. The sulphur was the great drawback to Nova Scotia coal, but that was being gradually overcome. His reason for using the Nova Scotia coal under the disadvantages he had named was that he wished to encourage that trade as much as possible. The prices he had mentioned, too, were exceptionally high. He had purchased coal in Great Britain prior to 1873, and prices had now about resumed their former level; Newcastle coal could be bought, delivered at Montreal, for 17 shillings sterling, or about \$4.25; perhaps it could be bought for less at present. Freight was \$1.50 from Montreal to Ottawa; it would cost about \$5.50 per long ton in Ottawa. Newcastle coal was the best they could get for gas purposes, the yield was greater and the gas superior. He believed a good deal of Newcastle coal was brought cut as ballast and sold very cheaply on that account. The great drawback to a trade with the Lower Provinces was that the Grenville Canal was not of sufficient depth to allow the boats to come right through. If the canals were deepened they could deliver Nova Scotia coal in Ottawa at \$4.50 per gross ton. For steam and domestic purposes the coal they used was from the Albion, Intercolonial and other mines. There was very little difference in the cost of gas coal and that for steam and domestic purposes, but as the house coal had to be screened and the screenings were of no use, they charged more for the house coal than for the other; they have been able to get from \$7.50 to \$8 per short ton for it. The consumption of coal was increasing very considerably in Ottawa. They had no manufactures that consumed bituminous coal largely. There were about 14,000 tons of coal brought to Ottawa annually, about 5,000 tons of which was soft and 9,000 hard. The hard coal was sold exclusively for domestic purposes. The hard coal came by way of the Champlain Canal to Montreal. Hard coal cost last year as high as \$6.85 per long ton; the retail price varied from \$6.50 to \$7 and \$7.50. There was a great reduction in the prices this year owing to a change in the combination which existed in the United States. He could deliver hard coal next season at \$5.50. The condition of the Grenville Canal did not affect the freights of American coal, which came by Kingston and the Rideau Canal. The Grenville Canal was twelve miles long and had six locks; what was needed was that the canal should be so deepened that barges carrying 400 or 500 tons could be brought through from Montreal. These vessels could carry back lumber. The Willow Bank coal has a good deal of slack in it, but it was one of the best coals of the kind for gas purposes. It cost about \$5.50 per net ton. It was of larger size than Nova Scotia coal and less liable to breakage. He believed there were mines in Nova Scotia peculiarly adapted for gas purposes. There was a very wide difference in Nova Scotia coals. Lingan coal had a great deal of sulphur, and did not give a very large yield of gas. Vessels brought hard coal from New York to Ottawa for \$2.25 per ton, by way of the Hudson, the Champlain Canal and Montreal. They could do it, because they came here for lumber and used the coal as ballast. They could not bring it more cheaply if our canals were enlarged, unless their own canals—the Whitehall, for instance—were also deepened.

APPENDIX

The following letter from R. L. McGregor, Esq., Treasurer of the "Western Transportation and Coal Company" of Detroit, Michigan, U.S., was received by Wm. McGregor, Esq., M.P., and ordered by the Committee to be put in as evidence:—

DETROIT, MICHIGAN,
21st February, 1877.

SIR,—Yours received, asking the cost of mining royalty, pocket charges and Railway freights.

The system of buying coal and railway freights were changed last year. Royalty was added to coal and pocket charges were taken off.

Coal we buy at the mines delivered on board cars for.....	\$ 0 85
Railroad charges delivered on board vessel at Sandusky.....	1 50
Freight to Detroit, Windsor or Amherstburgh.....	0 30
	<hr/>
American currency.....	\$ 2 65
	<hr/>
Freight to Sarnia, 40 cents. American currency.....	\$ 2 75
“ Goderich, Kincardine or Southampton, 50 cents. American currency.....	2 85
“ Port Stanley, 50 cents American currency.....	2 85
“ Port Colborne, 70 cents “.....	3 05
“ Toronto, \$1 05 Gold.....	3 50
“ Hamilton, 1 05 “.....	3 50

Those outside figures would be the cost delivered alongside of dock at places named.

You will see that I have allowed 10 cents premium on the \$1.05 gold freight to Toronto and Hamilton.

Yours truly,

(Signed)

R. L. MCGREGOR.

The following statement of articles imported into Nova Scotia from the United States, which might come from Canada, was referred to by Mr. E. Morrison in his evidence:—

Flour.....	133,304 barrels.
Grain	2,374 bushels.
Lard.....	229,555 pounds.
Beef and Pork.....	1,305,522 “
Cheese	8,978
Hops.....	8,166 “
Kerosene Oil	161,532 gallons.
Starch.....	34,866 pounds.
Soap	23,731 “
Leather, value.....	\$1,877 00
Glaseware, value.....	\$30,879 00
Total imports from Foreign countries.....	\$8,596,303

This does not include value of importations from Ontario, Quebec, New Brunswick and Prince Edward Island, as no record is kept in the Custom House of Inter-Provincial trade.

IMPORTATIONS FROM CANADA INTO THE PORT OF HALIFAX, 1876.

(Imported into the Counties of Yarmouth, Windsor, Pictou, and Cape Breton.)

Flour say about.....	185,356	barrels.
“	100,000	“
Oatmeal	5815	“
Cornmeal.....	265	“
“	630	bags.
Wheat	733	“
Barley	1002	“
Corn	416	“
Feed.....	15,240	“
Butter	27,180	pounds.
Lard	61,300	“
Hams and Bacon.....	126	tierces.
“	83	cases.
Beef.....	16	tierces.
“	789	barrels.
Tobacco	102	hhds.
“	1,509	boxes.
“	600	half boxes
“	983	caddies.
“	852	packages.
Pork	20	barrels.
Dressed Hogs.	1,705	carcases.
Rye Whiskey	558	barrels.
“	21	packages.
Spirits	21	puncheons.
“	117	barrels.
“	120	packages.
Leather.....	572	rolls and bundles.
Pot Barley.....	562	barrels.
Boots and Shoes.....	1,233	cases.
Onions.....	152	barrels.
Printing Paper.....	10,000	reams.
Hops	130	bales.
“	171	boxes.
Cheese	33,900	pounds.
Kerosene Oil	1,142	barrels.
Seeds	850	bags.
Ale and Porter.....	216	hhds.
“	31	half hhds.
“	200	barrels.
Vinegar	150	“
Soap	2,819	boxes.
Starch	1,837	“
Oats	24,838	bushels.
Hides.....	130	bundles.
Beans	790	barrels.
Peas	800	“
Quarters Beef.....		
Carcases Mutton.....		
Agricultural Implements.....		
Hardware		
Woollen Goods.....		

STATEMENT of the Quantity and Value of Coal Imported into the Dominion for the Six Months ending the 31st December, 1876.

RECAPITULATION.

WHERE IMPORTED.	WHENCE IMPORTED.	DESCRIPTION OF COAL IMPORTED.						TOTAL.	
		Anthracite.		Bituminous.		Lignite.		Quantity.	Value.
		Quantity.	Value.	Quantity.	Value.	Quantity.	Value.		
	Countries.	Tons.	\$	Tons.	\$	Tons.	\$	Tons.	\$
Provinces.									
Ontario		176,882	810,626	219,263	799,678	8,805	49,255	404,950	1,689,559
Quebec		92,028	389,873	102,626	268,750	17,693	52,290	212,347	710,913
Nova Scotia		9,979	39,044	.....	.....	52	238	10,031	39,282
New Brunswick		14,779	62,996	2,145	8,494	3,812	12,940	20,736	84,430
Manitoba		202	1,416	.....	.....	98	693	300	2,109
British Columbia .....		.....	.....	.....	.....	146	1,034	146	1,034
Prince Edward Island		524	1,940	142	327	.....	.....	666	2,267
	Total	294,394	1,305,895	324,176	1,077,249	30,606	116,450	649,176	2,499,594
By Countries.....	Great Britain.....	3,005	11,613	101,661	263,364	17,761	47,518	122,427	322,495
	United States....	291,389	1,294,282	222,515	813,885	12,845	68,932	526,749	2,177,099
	Total	294,394	1,305,895	324,176	1,077,249	30,606	116,450	649,176	2,499,594

(Signed) J. JOHNSON,
Commissioner of Customs.

CUSTOMS DEPARTMENT,
OTTAWA, 16th March, 1877

REPORT

OF THE

SELECT COMMITTEE

ON THE AFFAIRS OF THE

NORTHERN RAILWAY

AND

NORTHERN EXTENSION RAILWAY.

Printed by Order of Parliament.



OTTAWA:

PRINTED BY MACLEAN, ROGER & CO., WELLINGTON STREET,

1877.

REPORT.

The Select Committee, appointed to enquire into and report upon the allegations in the report and evidence of the Commission on the Northern Railway Company, as to the application of moneys payable to the Government; and also to make a searching enquiry into the accounts of the Northern Railway and Northern Extension Railway, so as to complete the enquiry begun and left unfinished by the Commission, have the honour to

REPORT:

That as far as the time at our disposal would admit, we have examined the books and accounts of the Northern Railway and the Northern Extension Railway, and have examined a number of witnesses upon certain entries in the said accounts, whose evidence is herewith reported.

Before proceeding to report upon any entries in the said accounts, your Committee think it proper to give a brief history of the debt due to the Government by the Northern Railway.

In 1853 and 1854, the Government made advances to the Northern Railway, to the extent of £475,000 sterling, which advances stood in the position of a first lien upon the road. No portion of either principal or interest was paid until 1860, when a reorganization of the Company took place, and by an Order in Council, passed in 1859, and confirmed by the Act of 1860, the bonded debt of the Company was granted priority both in payment of interest and security, over the Government lien, excepting only about £9,000 of mortgage bonds. By this Act also the Government became the possessor of a £50,000 second preference bond in part payment of interest, then due on the Government lien.

The debt of the Company then ranked as follows:—

First preference bonds.....	£250,000 sterling.
Second do do	283,900 do
Government lien.....	475,000 do

And remained in this state until 1868, when, owing to the representation that the largely increased traffic of the road had overcome its carrying power, an Act was passed authorizing an issue of third preference bonds to the extent of £150,000 sterling, which was also granted priority over the Government lien. Of this amount £50,000 denominated Class A was to be expended in the construction of elevators and the increase and extension of the rolling stock and other equipment works and appliances of the railway. Of the remaining £100,000 of bonds denominated Class B, £50,000 was to be paid over to the Receiver-General on account of arrears of interest then due, and the remaining £50,000 sterling was to be issued to the holders of arrears of interest debentures of the Company, which had been issued for unpaid interest on the original bonds of the road.

The Class A bonds were disposed of by the Company at 60 per cent., with the exception of a small amount which brought 65 per cent. The £50,000 was issued to the holders of arrears of interest debentures, but so far as your Committee can learn, no bonds were ever handed over to the Receiver-General for arrears of interest on the Government lien, nor has any interest ever been paid thereon, notwithstanding the fact that the interest has been regularly paid upon the Class A bonds, and also upon £50,000 of Class B bonds, issued to arrears of interest debenture holders.

The practical effect of this arrangement was, that to enable the railway to obtain about £30,000 of cash, a permanent annual charge of £6,000 sterling was placed ahead of the Government lien.

This arrangement left the revenue of the Company, after the payment of working expenses, applicable to the payment of interest on the

- 1st.—First preference bonds.
- 2nd.—Second preference bonds.
- 3rd.—Third preference bonds, Class A.
- 4th.—Third preference bonds, Class B.

And afterwards any surplus was to be applied to the payment of the Government lien.

Since 1865 the interest has been paid upon all the bonds, with the exception of the third preference B bonds, which should have been handed to the Receiver-General; any surplus revenues which may have existed belonged to the Government as applicable first to the payment of interest on the said B bonds, and afterwards to the lien.

The debt remained in this state until 1872, when the Northern Railway leased the Northern Extension Railway, which lease was confirmed by an Act of the Dominion Parliament in 1872. An examination of this lease discloses the fact that arrangements were made whereby the interest on debentures to be issued by the Northern Extension was to be paid by the Northern Railway, and charged "in the nature of a rental upon the earnings of the line of railway of the lessees, and to be recognized and included in the working expenses thereof." As it appears that £177,600 of debentures and improvement mortgage bonds were issued, the effect of this Act was to place the interest on this amount, being about £10,000 sterling per annum ahead not only of the Government lien, but also of all of the Northern Railway preference bonds, inasmuch as the interest on these debentures and bonds was to be chargeable to working expenses, which were a first charge upon the revenues of the Company by the Act of 1868, but it does not appear in evidence that this arrangement resulted prejudicially to the Government claim. This was the state of the debt until late in 1876, when the Government lien was extinguished by the payment of £100,000 sterling, together with over £2,000 sterling of interest thereon, and also £13,500 sterling, being arrears of interest on second preference bonds. This leaves the Government still the owner of £50,000 sterling of second preference bonds, and also entitled to £50,000 sterling of third preference B Bonds, and the interest thereon.

Our examination of the accounts and the evidence taken thereon, shows:—

1. That on the 12th November, 1869, a draft on Mr. F. W. Cumberland for \$500, made by Sir John A. Macdonald, was accepted by Mr. Cumberland, and on maturity paid out of railway funds; and that on the 18th November, 1869, another draft for \$500 also upon Mr. Cumberland, and made by Sir John A. Macdonald, was accepted by Mr. Cumberland, and subsequently paid out of the funds of the Northern Railway Company, and that these drafts were drawn for, and their proceeds used towards defraying the election expenses of Sir Francis Hincks, then a member of the Government, and a candidate for the representation of North Renfrew in the House of Commons, and that the said sums were charged in the books of the Railway Company to Parliamentary expenses, and that the whole of the said sum of \$1,000 was improperly paid out of moneys which were applicable in payment of the Government claims.

2. We find that during the latter part of 1870, or beginning of 1871, Mr. F. W. Cumberland, Hon. John Ross, and Hon. John B. Robinson, Directors of the Northern Railway Company, by previous arrangement between themselves, and without the consent or knowledge of the other Directors, subscribed to a testimonial fund to the Right Hon. Sir John A. Macdonald, the two former \$1,000 each, and the latter \$500, and that on the 14th January, 1871, a cheque of the Northern Railway Company for \$2,500 was paid to the Hon. D. L. Macpherson, Treasurer of the Fund, (who called at the office of the Company therefor) which cheque was in settlement of the above-mentioned subscriptions; that this amount was charged to the Hon. D. L. Macpherson, and appeared in the books of the Company as an asset until the amalgamation of the said Company with the Northern Extension Railway, when it

was, on the 30th June, 1875, charged to municipal bonuses and Government subsidies. Subsequently that amount was recharged to the Hon. D. L. Macpherson, and so stands at present, and that these entries were made without the knowledge of the Hon. D. L. Macpherson.

The Right Hon. Sir John A. Macdonald states that he was not aware of the fact that any moneys were paid out of the funds of the Northern Railway as a subscription to the said testimonial fund, and his statement is sustained by that of the Hon. D. L. Macpherson. We find that the said sum of money was improperly paid out of moneys, which were applicable to the payment of the Government claims.

3. We further find that there was paid out of the funds of the Northern Railway the sum of \$1,000, being the amount of stock in the *Mail Printing and Publishing Company* subscribed for by, and now standing in the name of F. W. Cumberland, on the books of the said Company, and that the amount was, by Mr. Cumberland's direction, charged in the books of the Northern Railway Company to the accounts of legal and Parliamentary expenses, but no value therefor was in any way given, and that the said amount was improperly paid out of moneys which were applicable to payment of the Government claims.

4. We also find that in April and May, 1872, two payments of \$250 each were made on account of \$1,000 of stock which Mr. Angus Morrison, then a Director of the Northern Railway Company, had taken in the *Mail Printing and Publishing Company*, and that subsequently in October 1874, two accounts against the company by the *Mail Printing and Publishing Company*, one for \$250 and one for \$270 were presented and paid, and that the said two accounts, prepared at the suggestion of Mr. Barlow Cumberland, although purporting to be for editorials and notices, were in fact for the balance due on Mr. Morrison's stock in the said *Mail printing and Publishing Company*, but that no value in any way was given for the said moneys which was thus, to the whole amount of \$1,000, with \$20 for interest, improperly paid out of moneys which were applicable in payment of the Government claims.

5. We find that in 1872 several sums amounting altogether to \$5,440.68 were paid out of the funds of the Northern Railway Company to defray the election expenses of the Hon. J. B. Robinson, then President of the Railway, in his contest at the general election held that year for a seat in the House of Commons for the Electoral District of Algoma, and that by direction of Mr. Cumberland this amount was charged in the books of the Company, one-third to contingencies, one-third to parliamentary expenses, and one-third to legal expenses, in instalments of one-twenty-fourth per month to each account, and that the said amount of money was improperly paid out of moneys which were applicable in payment of the Government claims.

6. We also find that on the 9th and 13th of August, 1872, two cheques for \$500 each were given to Mr. C. J. Campbell as a contribution towards the election fund of the supporters of the Government of that day, at the general election of that year, which amounts were paid out of the funds of the Northern Railway, and in the first instance charged to Mr. Cumberland's private account in the books of the Company, and subsequently he was credited with the amount of these cheques, and it was charged to parliamentary expenses, and that the said amount was improperly paid out of moneys which were applicable in payment of the Government claims.

7. We further find that on the 30th June, 1869, Mr. Cumberland's private account with the Northern Railway was overdrawn to the amount of \$2,181.29. He then made his note for that amount to the Company. Large sums charged to his private account appear to have been drawn by Mr. Cumberland at or soon after his election for Algoma in 1867, which caused an overdraft in his account. This overdraft increased until it amounted on 30th June, 1869, to the sum for which he gave the note above mentioned.

We further find that on the 15th April, 1873, Mr. Cumberland's private account was again overdrawn to the further amount of \$10,411.92 caused, as to \$6,245.02, by a payment on account of his purchase of the steamer "Chicora," and as to the balance, viz., \$4,166.90, by the payment of his election expenditure as a candidate for Parliament for Algoma and Cardwell. The amounts represented by these notes were

drawn out of the Company's funds, and the notes were made without the sanction of the Board of Directors. There was no security given for the payment of these notes. On the 30th June, 1875, by direction of Mr. Cumberland, the amount of the notes, \$12,593.21, was, with two other amounts, transferred from the books of the Northern Railway, where they appeared as assets, to those of the Northern Extension Railway, when they became expenditures or losses, being charged there to municipal bonuses and Government subsidies expenses. The effect of this transfer was to extinguish these claims on the Company's books.

Subsequently, in March, 1876, when the attention of Mr. Thomson, the present President of the Northern Railway Company was called by the late Secretary, Mr. Hamilton, to this matter, entries were made in the Company's books, the effect of which was to restore the amount of \$12,593.21 to the position of an asset of the Company, in which position it now properly stands.

Your Committee further find that in February, 1873, Mr. Cumberland drew upon the Railway Company for the sum of \$8,000, and that this draft was paid out of railway funds. The amount was, by Mr. Cumberland's orders, charged to Parliamentary expenses, and so continued until March, 1876, when, at the instance of Mr. Thomson, it was charged to Mr. Cumberland on special account. Of this \$8,000 the sum of \$7,600 appears to have been paid by Mr. Cumberland on account of the purchase money due by him upon the steamer "Chicora." The purchase of a share in this steamer was made in his own name and behalf, and without the knowledge of the Board of Directors, and the earlier payments on the purchase were made by Mr. Cumberland, and have not apparently been charged to or taken out of the Railway Company's funds.

Your Committee find that the amounts represented by the two notes, and the amount of the draft for \$8,000, in all, \$20,593.21, were improperly paid out of moneys which were applicable in payment of the Government claims.

8. We further find that the Hon. J. B. Robinson whilst President of the said Company overdraw his account. In July last the balance appearing against him in the Company's books was about \$4,900 since reduced by crediting his fees as a Director to \$4,606 which he still appears to owe. This balance is arrived at after crediting him from time to time with the salary pertaining to his office. There is, however, a sum of \$1,000, which Mr. Robinson received but which he contends he expended for some purpose of the Company, and another sum which he also received but claims to have spent in travelling expenses to New York on the Company's business; deducting these there is still a balance of over \$3,000 against Mr. Robinson which your Committee find was improperly paid out of moneys which were applicable in payment of the Government claims.

9. We find that Mr. Moberly, formerly Chief Engineer of the Northern Railway overdraw his account, and afterwards a bonus of \$2,000 was granted to him and placed to his credit to balance his account, and that the said amount was improperly paid out of moneys which were applicable in payment of the Government claims.

10. During the Session of the Dominion Parliament in 1873, the Northern Railway Company applied for certain legislation affecting their road and also a proposal was made by the Government in pursuance of an understanding with the Company for the extinction of the entire amount due the Government, both bonds and lien, together with the interest thereon for the sum of \$500,000. During that Session drafts were made on 13th March for \$1000; on 17th April, for \$750, and on 23rd May, for \$2,000, by Hon. John B. Robinson, at that time a member of the House of Commons, upon F. W. Cumberland, Managing Director of the Northern Railway, with his consent, two of which, viz.: the \$1,000 draft and the \$2,000 draft were payable to the order of Mr. Angus Morrison, also a member of the House of Commons, and by him endorsed. These drafts were in due course paid out of the funds of the Northern Railway Company. Two other drafts upon the Northern Railway were made about this time, one by Mr. Cumberland, Managing Director, for \$200, and one by Mr. Boulton, solicitor of the Company, for \$500. It has been satisfactorily explained that the amount of these two drafts was expended in paying the expenses

of a delegation from Toronto, brought here for the purpose of advocating the proposed legislation, and in paying printing, travelling and their necessary expenses. As to the expenditure of the first three drafts, Mr. Robinson alleges that the total amount was divided equally between himself and Mr. Morrison. Mr. Morrison states that he received a part of the first draft for \$1,000 only. A considerable sum appears to have been spent in dispensing hospitalities to members of Parliament and others, an expenditure which your Committee cannot approve; but for the greater portion of the amount no account has been given. Mr. Robinson states no amount was paid to any member of Parliament.

Your Committee therefore find that the expenditure of \$3,750 was improper, and was improperly paid out of moneys which were applicable in payment of the Government claims,

11. Your Committee find that, prior to amalgamation, the Northern Railway advanced to the Lake Couchiching Hotel Company, a joint stock company having a subscribed capital of \$19,500, of which \$19,000 was paid up, a large amount of money. That, subsequently, several amounts, aggregating over \$17,000, were charged to the Northern Extension Company, and by that Company paid out of the proceeds of certain bonds of the Northern Extension sold in England, the interest on which was to be paid by the Northern Railway Company. That the Northern Extension Road advanced a very large sum of money to the Lake Couchiching Hotel Company, for \$10,000 of which a mortgage was taken and afterwards transferred to the Northern Railway Company. That at the time of amalgamation, in June, 1875, \$45,235 appeared upon the books of the Northern Extension Company as due from the Hotel Company. That this debt of amalgamation appeared as an asset on the balance sheet then prepared, and the balance an asset of the Northern Railway. That in 1876 the hotel was burned, and the insurance money collected, amounting to \$31,721.63; after the payment of certain liabilities amounting to \$19,704.13, was divided *pro rata* among the stockholders of the hotel, who were, in the main, the same persons who held the stock of the Northern Extension Railway, while nothing was ever paid to the Northern Railway Company, either on account of the mortgage which they held or of the debt transferred to them at the time of amalgamation by the Northern Extension Railway. This mortgage, your Committee considers, represents so much money which was applicable in payment of the Government claims.

12. We find that in July, 1868, an account was rendered by Mr. Hewitt Bernard, then Deputy Minister of Justice, for \$500, for fees as a parliamentary agent in prosecuting the Act of 1868.

13. We further find that previous to the amalgamation of the Northern Extension with the Northern Railway Company several advances were made by the latter to the former, as follows:—

Northern Railway, Advance capital account.....	\$36,087 19
do .Advance dividend account.....	50,549 84
do Current account	20,755 62
Total.....	<u>\$107,392 65</u>

These advances, your Committee consider, were made without proper authority

14. We find that, previous to the year 1875, a syndicate had been formed, composed of eight gentlemen, for buying up at par all the stock of the two roads which, in 1872 had been amalgamated under the name of the Northern Extension Railroad. This they succeeded in doing. The Act of 1875, which provided for the amalgamation of the Northern Extension Road with the Northern Road, stipulated that in no event should the shareholders of the Northern Extension receive more than the amount of their paid-up capital, together with interest at the rate of 10 per cent., and a premium of 13½ per cent. thereon. Upon these terms the stock was extinguished by the Northern at the date of amalgamation, on the 1st of June, 1875. About the 31st May, 1875, the following amounts were granted at a special general meeting of the shareholders, as compensation for services before unpaid and extending over several years:—

To Mr. Frank Smith, President	\$4,000
Mr. N. Barnhart, Vice-President.....	1,250
Board of Directors.....	8,000

These amounts appear to have been thrown into one fund and equally divided amongst the Directors. On the same day the Board of Directors of the Northern Extension passed a resolution granting to :

F. W. Cumberland, Consulting Manager.....	\$10,000
Owen Jones, Chief Engineer.....	1,200
John Turner, Chairman Executive Committee.....	1,000
J. D. Edgar, Parliamentary Counsel.....	3,050
John E. Foreman, Secretary.....	400
Frank Smith, personal expenses.....	1,000

The amount to Mr. Cumberland was granted for his services as Consulting Manager, extending over a period of five years, which services had not been paid for in any other way. The amounts to Messrs Jones and Foreman were given as a bonus to the gentlemen on the close of their services as officers of the Northern Extension. The amount to Mr. Turner was for services extending over four years as Chairman of the Executive and Finance Committees. The amount to Mr. J. D. Edgar, as is stated by him, was given to cover a three-months' trip to England in connection with the negotiation of the Company's bonds, his services in promoting the Amalgamation Bill before Parliament, and also his solicitor's account for eight months preceding amalgamation; and, in addition to the above, other services given in aiding the Directors, extending over a period of five years and not previously paid for.

During our investigation we have considered and used the evidence taken before the Royal Commission.

We submit herewith the minutes of the proceedings of the Committee and exhibits mentioned therein.

We recommend that the following papers or exhibits, which were obtained for the convenience of the Committee, be not printed, viz.:—Those marked A M., A L., A K., L., E., F., G., H., I., M., J., K., P., O., A C., A A., A D., A E.

All which is respectfully submitted.

(Signed)

CYRIL ARCHIBALD,
Chairman.

HOUSE OF COMMONS,
Saturday, 21st April, 1877.

MINUTES OF EVIDENCE,

FRIDAY, March 16, 1877.

The Committee met.—Mr. ARCHIBALD in the Chair.

Mr. FREDERICK WILLIAM CUMBERLAND, sworn, deposed as follows :—

By Mr. Guthrie :—

Q. You are the Managing Director of the Northern Railway Company?—
General Manager.

Q. How long have you been General Manager, Mr. Cumberland?—I have been in charge as Manager of the Railway, since 1858 or 1859—as Managing Director, when I had a seat on the Board; and as General Manager, when I had not a seat on the Board. It is a mere change of official titles.

Q. Have your duties been the same whether you have been called General Manager or Managing Director?—Yes.

By Mr. Bowell :—

Q. Did you say you were Manager since 1859?—I am not quite sure; I have been, however, from the time of the re-organization of the Company.

By Mr. Guthrie :—

Q. Is it since you have been Manager that the Acts of Parliament affecting the lien have been passed? There was one, I think, in 1859 and one in 1868?—Yes.

Q. And another in 1875?—Yes.

Q. When you became Manager what was the amount of the indebtedness to the Government; and what was the position of the debt with regard to priority?—With regard to priority the Government held the first lien on the original amount of £475,000 sterling.

Q. Was there anything further at that time?—I think not.

Q. There were subsequently and there are now, but there were not at that time?—Not at that time.

By Mr. Bowell :—

Q. That was the whole indebtedness to the Government?—Yes.

By Mr. Guthrie :—

Q. You are speaking of the time prior to the Act of 1859-1860?—Yes.

Q. What claim, at that time, had priority to the Government claim?—At that time none except working expenses; it stood in exactly the same relation to the Company that the advances to the Grand Trunk Railway Company stood to that Company.

Q. Well, when was the change made, Mr. Cumberland?—I had better give you as full information as I can on that point. By the Act of 1859—(I hope I am quoting the act right, I think I am) an Order in Council—

Q. The Order in Council was based on the Act of Parliament?—Yes, but that was confirmed by a further Act.

Q. The authority of the Order in Council was the Act of 1859?—Yes, we having given effect to the Order in Council, it was considered desirable that the Order in Council should become an enactment.

Q. In 1860 it was legalized? That's it. After the Order in Council it was thought desirable, for the safety of parties, that it should be embodied in an Act of Parliament, and that was the Act of 1859-60.

Q. Under that Act (or Order in Council confirmed) there were certain preference bonds issued; first and second, I think?—Before the Order in Council the ranks of the capital were these:—first, the Government lien amounting to £475,000; secondly the issue of Company's bonds amounting to £233,000 sterling, and after the stock, I speak from memory; I think I am correct.

Q. What was the effect, as far as the Government lien was concerned, of the legislation of 1859-60?—The necessity for the legislation arose in this wise.

Q. I just want the effect of it?—I am coming to the effect of it so that you may understand it.

Q. But, was the effect to postpone the Government lien?—Oh, certainly.

Q. Then the next Act was in 1868, with reference to the £233,000?—I think it would be well for me to explain about it.

Q. That is pretty well understood?—Because we have another bond debt.

Q. That was, however, issued under the Act of 1868?—No. Under the Act of 1859; that is the reason I desired to explain, because at that time the holding of the Government was created.

Mr. Guthrie—I understand, but I just want to get before the Committee the position the Government lien occupied from time to time?—To make it complete you must begin at the £50,000.

Q. You gave evidence before the Royal Commission?—Yes, sir.

Q. It was published subsequently in pamphlet form as this blue book; (producing the report of the Commission appointed for investigating the books, accounts and vouchers of the Northern Railway of Canada and the disbursements and expenditures of the said Company). Have you read it over?—I have not. I have not had time since my return to take more than a very casual glance at it.

Q. Because it would save a good deal of time if you had read it over, as we could just ask you if you adhere to it?—I have not the slightest hesitation in saying "Yes."

Q. I would like you to read it first?—Do you want me to read it now?

Q. I only wished to know whether you had read it. Well, the first matter mentioned in the evidence is that relating to a subscription of \$2,500 to a testimonial got up for Sir John Macdonald. Have you got the books with you containing the entries with regard to that item?—Yes.

Q. Will you produce them?—Yes.

Q. The evidence before the Royal Commission was tolerably thorough, but the books and vouchers were not there?—You are in error, they were all produced. All the papers connected with every item which was examined into before the Royal Commission were produced.

Q. Perhaps they were ultimately, but not at first?—From the commencement you will see (referring to the Report of the Royal Commission) that all the vouchers and references of all the items examined into before the Commission were produced.

Q. For my part I would like to see the vouchers with regard to this item?—I produce the Cash Book, wherein it is entered on the 14th of January.

"D. L. Macpherson per special cheque and per voucher No. 8357... \$2,500."

Q. What year was that?—In 1871.

Q. Where is the original voucher and the cheque?—We brought the Cash Book, but not the fyled Cheque Book.

Q. You see the original evidence says "the cheque is not here."—Mr. Miall came to our office. It had been decided that of any account before the Commission the accounts and vouchers could be examined; and, to facilitate work Mr. Miall visited our office and the books were produced to him. And, in some cases, the books were taken to the commission. In this particular case he went up and saw the cheques connected with this expenditure.

Q. Did you say you had not the original cheque with you?—Yes, sir.

Q. I suppose it is under your control?—Oh certainly.

Q. We should like to see it?

The voucher was then produced as follows:—

No. 8357.

NORTHERN RAILWAY OF CANADA.

MANAGING DIRECTOR'S OFFICE,
TORONTO, 14th January, 1871.

DEAR SIR,—Please give cheque on special account to Hon. D. L. Macpherson or order for \$2,500, and hold in suspense until further orders.

Yours truly,

(Signed) F. W. CUMBERLAND,
Managing Director.

THOMAS HAMILTON, Secretary.

Q. How is that entry followed up in your book?—The original entry is "D. L. Macpherson, per special cheque and per voucher No. 8,357, \$2,500."

Q. Who was that charged to in your books?—Mr. Macpherson.

Q. Have you got the entry?—Yes, it is charged against Mr. Macpherson here in the Cash Book.

By Mr. Bowell:—

Q. Does it stand that way in the book now?—Yes.

By Mr. Casgrain:—

Q. Had Mr. Macpherson any dealings with the Company at that time?—No.

Q. Or since?—No.

Q. Who came to ask for the money in the first place?—For the subscription?

Q. Yes, for the money on the order. Who spoke to you first of this transaction?—I was canvassed and informed of this testimonial and invited to subscribe to it.

Q. I want to know who first spoke of this matter to you?—I could not fix my memory as to who was the first party to talk to me about it; my impression is that it was Mr. Macpherson.

By M. Bowell:—

Q. Who asked you for the money?—Mr. Macpherson. He was treasurer of the fund and to him all the subscriptions were paid.

Q. Did any one else ask you to subscribe to the fund; I think that is what Mr. Casgrain wants to get at?—I consulted with some of my colleagues on the Board.

Q. No. I don't mean that; did any one else besides Mr. Macpherson ask you to subscribe?—I do not remember that anybody but Mr. Macpherson asked me.

Q. Had you any conversations with reference to the subscription with any persons besides those with whom you are associated?—I consulted with some of my colleagues on the directorate as to whether the subscription should be made.

Q. Anyone outside?—No.

Q. Were you solicited by anyone outside other than Mr. Macpherson?—I have no recollection of any conversation with anyone about the subject other than the Directors.

By Mr. Guthrie:—

Q. This cheque was paid out of the earnings of the road?—Yes.

Q. Although charged to Mr. Macpherson there was no intention whatever of asking him to refund it?—No, it was paid to him as the treasurer of the fund and I assumed that he would apply it to the fund.

By Mr. De Veber:—

Q. Why was it charged to Mr. Macpherson?—It was charged to him because he received it.

(The witness here produced the account books containing the entry.)

By Mr. Guthrie:—

Q. I see nothing in the books to indicate the purpose for which this money was paid?—No, it is not entered.

Q. It is treated as a personal payment to Mr. Macpherson in the books?—It was kept there until it should be dealt with.

Q. In the entry made in the ledger Mr. Macpherson was charged with this money; what account was credited; or was any account credited; or was a cross entry made?—It remained, as you see it in the ledger, until 30th June 1875.

Q. I am aware that that statement was given before, but I wish, for my own satisfaction, to see the books?—They are here. (Books produced.)

Q. Who were members of the board, Mr. Cumberland, at the time of the subscription?—I will send for copies of the report, and see.

Q. Have you the minutes of the Board meetings?—I have not; only the reports and the list of Directors elected.

By Mr. Bowell :—

Q. Tell us who you remember?—Hon. J. B. Robinson was one.

Q. Was he President at the time?—Yes, he was President, I was a Director myself. The late Hon. John Ross was also one and Mr. William Elliott was one.

By Mr. Guthrie :—

Q. I would suggest that Mr. Cumberland read over his evidence in the report of the Royal Commission and say whether it is correct, so that it may be taken as evidence before us with any explanation any member of the committee may desire, and, any explanation Mr. Cumberland may desire to give.

Mr. Cumberland—In looking over the report I see at once there is a mistake here. The question is asked: "Was there a subscription book?" The answer is that I never saw one. I had apparently forgotten whether I had seen one or not.

By Mr. Guthrie :—

Q. Well, and you see one?—I am told that I saw one; I am told that I signed one, so I must have seen it; but, I do not remember it.

(Mr. Guthrie here suggested that it would facilitate the labors of the committee if Mr. Cumberland would read over the evidence and be prepared to say how far he still adheres to it; and if he would prepare a memorandum of any expenditure analogous to the expenditures referred to in the evidence taken under the Royal Commission.)

Mr. Bowell—That would include items. Were there any other subscriptions paid out of the funds of the Company for any other purposes?

Mr. Guthrie—Yes, any charges that may be considered not legitimate so far as the Act of Parliament with regard to the funds of the railway was concerned.)

By Mr. Guthrie :—

Q. I would like to see a list of the Directors?—(Reading from the report) The Directors that were in office at the date of that payment were Hon. J. B. Robinson, Hon. John Ross, F. W. Cumberland and William Elliott. These were the four in Toronto. The three in England were Messrs. Wheeler, Chowne and Jackson. The last mentioned is the present Sir Henry Jackson.

Q. Seeing the list of names can you recollect who it was you spoke to about this subscription?—Yes. Messrs. Robinson and Ross and myself.

Q. You consulted Messrs. Robinson and Ross?—Yes.

By Mr. Bowell :—

Q. Where was Mr. Elliott at the time?—I could not say that I consulted him; I could not say that I remember doing so.

By Mr. Guthrie :—

Q. You remember consulting Mr. Ross and Mr. Robinson. Well there is no reason why you cannot say whether you consulted Mr. Elliott?—There may be no reason, but my memory fails me.

Q. Will you say that you did or did not see him?—No, Mr. Elliott can speak for himself.

Q. Was it at a Board meeting that you consulted with Messrs. Robinson and Ross?—No, it was at my office.

Q. Were they together when you consulted them?—I cannot say that they were. It was the subject of conversation between us for some little time and on several occasions.

Q. Did Mr. Robinson and Mr. Ross approve of appropriating the \$2,500 for that purpose?—They did; and I concurred.

Q. Did Mr. Macpherson apply to the others as well as to you, or was it through you that the matter was brought to their notice?—I certainly brought it before their notice; whether Mr. Macpherson did so, or not, I cannot say.

Q. You use the word "canvassed" in referring to the matter; did he canvass more than you?—Perhaps it would be better to use the word invited.

Q. Well, whatever word you choose to use; it was your own word?—I know it was.

Q. Was he present when you mentioned the matter to Mr. Robinson and Mr. Ross?—I do not remember that he was. My impression is that he was present once when it was the subject of conversation with Mr. Robinson.

Q. When did you first make up your mind, as to the amount you would give. How long before you gave the order?—I could not say at this distance of time.

Q. Was it as to the amount that you consulted those gentlemen first?—First, as to whether it should be given, and then as to the amount.

Q. Then these gentlemen were aware of the amount and sanctioned the appropriation of the money in that way?—No doubt they approved.

Q. If you had their sanction why did you not bring it before them formally at a Board meeting?—Well, the administration of the Company really was at that time largely personal.

Q. Personal to whom?—To myself.

Q. What do you mean by that?—I mean to say that there was no "stockholding" or "stock" representation at this time.

Q. You were then, in fact, not only Manager, but you fulfilled the duties usually devolving on boards of Directors?—I should not like to say that I used the power of boards of Directors.

Q. I should like to know what you mean by saying the management was largely personal?—I will illustrate it. You will know better what I mean if I illustrate my position by the position of Mr. Broughton on the Great Western Railway, and the position Mr. Brydges held for many years on the Grand Trunk Railway. These are systems of personal government beyond all question, and that is what I mean by the expression.

Q. I do not know what their position is with reference to local powers. Do you mean to say, in fact, that the local directors were merely figure heads,—do you mean to say that the real power was in your hands?—I mean to say that the local directors at that time did not charge themselves with the details of the work.

Q. What do you call the details? Was the payment of \$2,500 for such a purpose a detail; a mere trifle? This is not an ordinary payment as you are aware. I want to know what you mean when you say that the Board did not charge itself with mere details and because of that you did not bring this before them. What are details?—I call details, for instance, the passing of subordinate departmental accounts and that sort of thing. This is undoubtedly one of them; there is no use of mincing any matters about it. It was personal government at that time to a large extent, and the Board, until a somewhat recent date, did not charge itself with the details.

Q. The Board charges itself now, to a greater extent, with the control?—Yes, I should say so; I get more assistance now in the details than I ever did.

Q. How often did the Board meet in those days?—Irregularly. Sometimes once a month; and sometimes not so frequently. Not, however, in the average, more often than once in three weeks or a month.

Q. Who managed the affairs of the Company in the intervals between meetings?—I did.

Q. Entirely?—Yes, though sometimes there was consultation with the directors. They would from time to time drop in, and I would talk matters over with them.

Q. Do you remember now whether the cheque was payable to Mr. Macpherson as treasurer of the fund; or individually?—I do not remember, I should say it was not; that does not appear on the voucher on the cash book; I take it for granted it will appear on the cheque.

By Mr. Bowell :—

Q. Then it was given to him personally?—Yes.

By Mr. Guthrie :—

Q. Then there is nothing in any voucher or book of the Northern Railway Company that shows the real purpose for which that payment was made?—No.

Q. I see by your evidence (before the Royal Commission) that this was transferred some four years and a half afterwards to the Northern Extension Railway account?—Yes.

Q. What had that account to do with it?—That was only a branch account; it is just as much a Northern Railway account as any account we had. That was subsequent to the amalgamation when the Extension account and Extension property reverted to us.

Q. Yes, but that does not satisfy me that there was any reason for doing so. Even supposing it was a branch of the Northern, what reason was there for transferring this item to that branch?—Well, the Northern, Extension account was a capital account. There was an open capital at that time, subsequent to amalgamation, for which provision would have to be made on capital account.

Q. Then you had no capital account before?—I had no expenditure account to which I could carry that, so I charged it as capital account.

Q. The first time you had a capital account you moved it there. Well, pray, why did you charge it to capital account?—Because I could not charge it to the revenue. I must charge it to some one.

Q. I see in the printed report it is charged to Municipal Bonuses and Government Subsidies expenses account. Under which of these do you put the payment to Mr. Macpherson?—That is a class of accounts so entitled.

Q. Is it a Government subsidy?—No. If you had an account for boots and shoes you might put in slippers, that is all. It would include slippers. The account is not intended to specify the nature of every item referred to it.

Q. You kept no class of account—no proper account—for such items, to which you could refer them?—No, none.

By Mr. Bowell :—

Q. When you speak of the railway being more of a personal management than anything else, do I understand you to mean that, like many other companies whose Directors are very often appointed for the sake of complying with the law and in order to constitute a board, the whole management and control of the company is in the hands of the Manager and President with the understanding that if anything comes up he shall consult with the local board?—I was just going to say with regard to the expression "personal" that the Board was more of a consultative than an executive body.

Q. It was understood at the general meeting when the Manager was elected that he was to have personal control?—I cannot do better than point to the Midland; that has personal government.

Q. Yes, that is a very good illustration?—And yet it has a Board of Directors; and I may say this, a railway can never fight its way unless it has a chief. I think you can take the Welland Railway, that is the same.

Q. Have you any reason to suppose, or do you know with regard to this subscription which you made to the testimonial fund that Sir John A. Macdonald had any knowledge either directly or indirectly of the matter, before or since?—Never from me, either directly or indirectly. It was never the subject of any reference in any conversation with him, until after the Royal Commission.

Q. Nor any one on his behalf, other than Mr. Macpherson, so far as your recollection serves you?—With no one else. I am convinced that Sir John Macdonald knew nothing whatever about it until it came out before the Commission.

By Mr. Guthrie :—

Q. Did you subscribe to this testimonial yourself?—My impression is that I signed the subscription list, in common with the other Directors whom I have named,

to the aggregate amount of the sum that was paid to Mr. Macpherson. That is to say, that the majority of the local board signed for the Company.

Q. What I want to ask is, did you, individually, contribute over and above the \$2,500?—No.

By Mr. Bertnam :—

Q. What was the position of your road before 1859? What was the capital?—*Mr. Guthrie*—That is recited in the Act of 1875.

A. I think between £163,000 and £164,000 sterling. (Statutes produced) The chartered capital of the Company amounted to £203,893, currency.

The Chairman—That will make it about equal to what Mr. Cumberland states.

By Mr. Bertram :—

Q. Then the bondholders were entitled to a rate of interest on their bonds. What was that rate?—Up to 1859—six per cent, but they never got a shilling.

Q. They never got anything at all?—Up to 1859; up to the reorganization.

Q. They got it after that?—That was the object of the bill; that was the cause of the whole thing. No interest had been paid upon the debentures from the time of their issue down to the date of that Act, and a large floating debt had accumulated, and the property had fallen into dilapidation. That is to say, that the road cost more to work than it earned, and there was a deficit year by year,

Q. Then the Government postponed its claim in order that the bondholders might get their interest?—New capital had to be raised to pay off the floating debt and to repair the road. The Government would not pay off the debt nor repair the road. Some other method had to be devised for this purpose, and the bargain that was struck at that time between the bondholders and the Government was to this effect:—If you, the bondholders, will find the new money necessary to this purpose; we, the Government, will allow you to go in front of our lien. The answer of the bondholders to that was:—We will find the new money (another £250,000) provided, as you say, we are put in front, and provided we are allowed to participate in the franchise and control and the government of the road.

Q. Which they did?—Which they did. The Government charged £50,000 for that concession, which £50,000 now stands in the rank of a second preference bond.

By Mr. Guthrie :—

Q. Did not that represent arrears of interest?—It was not so regarded.

Q. But you had not paid any interest on the lien?—We had not paid the working expenses. The unfortunate workmen were eleven months behind.

Q. How does that £50,000 stand now?—The £250,000 of first preference is the new money to which I referred; the £283,000 of second preference includes the £50,000 to the Government; and then, until 1868, came the lien in the third rank.

Q. Up to 1868, or in fact from 1859. From the re-organization in 1859 did you pay any interest to the Government on the lien?—None. The President reminds me that in 1868 it was necessary to get new capital, and the Government again made a bargain with us. That was the second £50,000.

Q. What I meant to ask was whether you paid any thing in money?—On the lien? No.

By Mr. Bertram :—

Q. When you raised this £250,000 did you use the money to pay off your liabilities; you say you were eleven months behind—and for repairing the road?—Yes, for repairing the road; filling in the tressle work, and re-constructing the bridges. The bridges were re-constructed under the supervision of the Government engineer.

Q. When you paid the six per cent. annually to the bondholders, who was the next creditor who was entitled to payment provided you had more than the amount that went to the English bondholders?—The first preference. If the net revenue of the road were insufficient to pay every body, then, they stand in the order of their rank. The first and second, until 1868, stood in front of the lien, or, until 1868 the lien came in third.

Q. I do not understand this first and second. I understand you to say that the original bondholders agreed to pay up £250,000 more, to put the road in good repair,

and I understand you to say that after that you paid yearly the six per cent? — On the new money.

Q. Not on the original?—No, not on the original.

Q. When did you begin to pay that on the original?—We began to pay that, I think, after the second or third year of the new expenditure. We gave them one and a half per cent, the next year two per cent, and I think I brought the road up so as to pay the dividends of the first and second within five years of the re-organization. We brought them up to the six per cent.

Q. That would be about 1865, I suppose?—Yes, I suppose so.

By Mr Bertram :—

Q. When the railroad was in a position to pay the bondholders, who were the next creditors?—The Government lien.

Q. On that you paid nothing?—Nothing.

Q. I want to ask you a sort of general question; I only ask it, of course, for information. Supposing you had had an additional £250,000, could you not have paid the same rate of six per cent?—Supposing we had that amount of private capital could we have paid interest on it instead of having the lien? You must allow me to give my explanation of that, I can tell you what you want to know better in my own form. In 1852, and still later, in 1857 when the railway was bankrupt, the line of country which it traversed was all bush north of Bradford. That is, we only had forty miles of settled country. After 1857, when we had the Company in credit and had the ability to open out, when we had abandoned the through traffic as unprofitable and devoted ourselves wholly to the local, the whole country gave a leap and our traffic as you will find suddenly and largely increased. So much so, that it was a simple impossibility for us to do the trade of the country unless we added to the facilities for doing it. You cannot carry two loads of hay upon one waggon, and we found ourselves in the position of either not getting the produce of the country to market or of adding to our equipment so as to secure it. Thus it came that we had to provide new money from somewhere. If you will look into the reports of the Company you will find that from that time the increase in our rolling stock and in all our facilities became most rapid. We had no capital whatever.

Q. Well, your rolling stock was capital?—No, no, I say we had to provide rolling stock; and we were on this horn of the dilemma: we had either to raise new capital in front of the lien and so postpone it, or to supply the surplus revenue for capital purposes. That is the whole policy of the Company for fifteen years with, of course, the tacit consent of the Government. Here is a memorandum of the number of our cars: in 1857 there were 311; in 1873 there were 872. That illustrates what I mean.

Q. What I would like to get at is this, and I think you can give it to me having the books here. If you would be good enough to make a memorandum dating from 1857 to the time the road took the leap forward, giving the earnings of the road during that time, the amount of rolling stock on the road each year, the amount of money expended on bridges from year to year, and the amount expended on new and additional works, charged to working expenses.

Mr. Cumberland promised to prepare the information asked for.

In reply to Mr. Guthrie, Mr. Cumberland promised to prepare a memorandum, from an examination of the books as well as from memory, of all expenditures in addition to and analogous to the expenditures referred to in the evidence before the Royal Commission, in regard to the Northern Railway and the Northern Extension Railway since 1867.

————— TUESDAY, March 20, 1877.

Colonel F. W. CUMBERLAND, recalled and examined.

By Mr. Guthrie :—

Q. Have you got the list, or have you made out any list of expenditures of a like character to those referred to in the evidence before the Royal Commission?—As far as time would admit I have looked through the books that are here—the

books of the Company—chiefly with the aid of my memory, because it has been quite impossible for me to go through all the books since last Friday—in fact Saturday—and I have made memoranda of some items that may be regarded as analogous.

Q. From what date have you looked through the books in respect to this item?—Some of the items go back to 1872—go back to June 1868.

Q. Have you looked for such items in the books from the 1st of July, 1867, that is the time of the Confederation of the Provinces, and the time we mentioned you should do it in the first instance?—Yes; I have not limited myself. I have gone behind that.

Q. Are you prepared to say then from an examination of the books that they contain no items of expenditure of a character analogous to those under investigation, prior to 1868?—Yes; I think I can say that.

Q. You do say that?—I do say that as far as my knowledge extends. As I tell you it is utterly impossible for me to go through all the books—each item and all the accounts since 1857, 1858, or without such an examination to say.

Q. It would not be so difficult to go back to the 1st of July, 1867, the time of the Confederation of the Provinces?—No, not all.

Q. Well, have you made a thorough examination of the books from 1867 down?—No; I cannot say that I have. I have examined as far as the time at my disposal has made it possible.

Q. The question that I put you was whether you had made a thorough examination of the books from the 1st of July, 1867 down?—No; I cannot say that I have made a thorough examination of the books. I have said I made as much examination as possible in the time at my command.

Q. And to make a thorough examination would require further time?—It is a physical impossibility to say you will make a thorough—and in fact no one else can do it as quickly as I can, because I am much assisted by memory.

Q. In a partial examination what items did you find?—I found items relating to other lines of Railway.

Q. Have you got a memorandum of the items which you can produce to the committee?—I can give them to you.

Q. What are the items?—Grey and Simcoe Railway.

Q. That is now called the Northern Extension?—No, Sir. The charter is defunct. It was a line that was projected from Angus to Durham in opposition to the Wellington, Grey and Bruce, and in opposition to the Toronto, Grey and Bruce. It was a railway fight at that time.

By Mr. Bertram:—

Q. Where were the termini?—Our proposition was to run a line of railway from Angus on the Northern Railway to Durham in the County of Grey, and thence onward possibly to the shores of Lake Huron.

Q. What is the amount there?—The amount of that campaign, including services and all the expenses, engineering estimates.

By Mr. McCarthy:—

Q. It had no stock of its own?—No; It was entirely dependent upon us. Although it was an independent company we were in fact the godfathers, and their charter expenses, survey expenses, and their fights with the Wellington, Grey and Bruce and the Toronto Grey and Bruce were in the sum which I report of \$3,941.86.

By the Chairman:—

Q. What time is this?—It goes back as far as the 20th March, 1865, to June, 1868.

By Mr. Guthrie:

Q. What other item have you?—We had the South Simcoe Junction Railway.

By Mr. Bowell:—

Q. That was for the same purpose, I suppose?—That was for the same purpose of defending our own interest. The second item is the South Simcoe Junction Railway, and it dates back to May, 1872, that is, it was about then the first expenditures began. That amounted to \$8,259.80.

By Mr. Bertram :—

Q. Where was that line to run?—That road was located from Angus to King. It would form a loop line and shorten the through distance of the route from Lake Huron to Lake Ontario nearly twenty miles.

Q. They are both stations on that line?—They are both stations on that line. That line was devised for several reasons; the first of all.

(M. Guthrie thought the witness had better first complete the list, and then the committee could examine into the details afterward.)

Mr. Bowell thought he might as well go on as he was doing.)

Mr. Guthrie—What is the next item?—The third line we call the Pacific Junction Railway. That was a line running to the northward to connect with the Georgian Bay Branch, and was promoted in defence of the traffic of our Railway and the business of Toronto as against all the rival lines which had received charters to approach Sault Ste. Marie. That was the policy of that concern, and the expenditure amounted to \$3,472.33 and dated back to 1872.

Q. What is the next?—Those are the only ones that I have got. I do not know whether you would regard the annuity given to Mr. Capreol as analogous, but I thought I would mention it. We have given an annuity to Mr. Capreol for £300 a year.

Q. Was that a pension?—An annuity.

Q. From what date?—I could give you the date by referring to our reports.

By Mr. Bowell :—

Q. Is that sterling?—No, currency. We have been paying it for about two years. I can give you the exact date and the ground on which it was made. The grant is for life, for his own life.

Q. By what authority was that given?—It was brought up at an annual meeting of our proprietors and passed by them.

Q. That would be bondholders and stockholders, I suppose?—Yes; both.

By Mr. Palmer :—

Q. Have the bondholders a right to vote at the annual meeting?—Yes; the bondholders have the franchise, as I explained.

By Mr. Guthrie :—

Q. Were there any other payments?—There is an annual subscription which we have paid for many years of a hundred dollars a year to the Mechanics Institute of Toronto; and there are various subscriptions that we have made from time to time too numerous to abstract and difficult to get at, still possible, to get up regattas and those sort of things. We always subscribed to the Collingwood regatta every year, to the Barrie regatta every year, to the Orillia regatta, and so on.

Q. What would such subscriptions amount to in the aggregate in the year?—I should not think more than two or three hundred dollars a year.

By Mr. Palmer :—

Q. That is including the Mechanics' Institute?—No; in addition to that.

By Mr. Guthrie :—

Q. I mean to regattas and races?—Two or three hundred dollars a year, not more. I think.

Q. I have no doubt they gave a little to races?—I do not think we have ever done that; but instead of giving a subscription we reduce our fares and that sort of thing, it is all in view of traffic.

By Mr. Bowell :—

Q. I suppose this annual subscription to the Mechanics' Institute was to provide a place for obtaining knowledge and for the recreation of your employés?—Yes, but chiefly for our apprentices who are free members, in consequence, of that institute and all its classes and privileges.

By Mr. Casgrain :—

Q. How far back?—I should think fifteen years back, perhaps more.

By Mr. Guthrie :—

Q. Have you mentioned all the items you have on your paper?—No; I have

one other item; but it is a very distressing thing to me that I should be called upon to expose all the confidential transactions of our Company, which are of a nature which anybody may see as far as we are concerned; but our relations with other railway companies, other corporations, are of a delicate character, and of course it weakens my corporation dreadfully to have all its affairs brought up. If every bank had to show all its expenditures in the protection of its property, and in its hostility to other institutions, its affairs would be weakened very much. We have had litigation in several cases in which the expenditure was what, I suppose, would be called in the House secret service money; but I think it is a very unfair thing to my clients and constituents that their property should be damaged in this way. If you wish I will speak of the different suits we have undertaken—litigation in defence of our property. We are asking Parliament to give us a financial scheme which means the issue of £800,000 on the London market; and if we are damaged only to the extent of five per cent, that is £840,000 loss to us.

Q. Would you state without stating how it was paid what the aggregate amount was, it may be small?—It is an important sum. I should say that the litigations in the cases to which I refer would amount to over \$2000, probably I understate the amount in saying \$2000; it might be \$3000.

By Mr. Palmer:—

Q. Over how many years would this be spread?—Two to three years.

Q. Up to what period?—It is almost open now.

By Mr. Bowell:—

Q. It is continually going on, I suppose?—We are on the defensive now.

Q. I understood you to say that this \$3000 was expended in what you considered the interest of the Company—in protecting the property of the Company?—Yes.

By Mr. Guthrie:—

Q. Is that the only item on your list?—That is all.

Q. Have you read the evidence taken before the Northern Railway Commission?—Yes.

Q. Well, what do you say to it?—I have no objection to offer to it except this: Somebody says—I think Mr. Macpherson says it—“I signed the subscription list of Sir John A. Macdonald;” well, here I say I never saw one.

Q. You explained that on Friday?—I do not see anything to which I object.

Q. Then you adhere to the evidence?—Yes.

Q. Then are you willing that that evidence should be treated, so far as it goes, as evidence in this enquiry?—Yes.

By Mr. Palmer:—

Q. One of your answers is this in the evidence taken on Friday, “My impression is that I signed the subscription list in common with the other Directors whom I have named to the aggregate amount of the sum that was paid to Mr. Macpherson;” now, is that correct?—No; because we did not sign for the Company. What I meant was this, that I protected myself in that execution of the act of paying the money by associating with myself two of my brother directors, and thus constituting a majority of the local board.

Q. Then that does not refer to the subscription list at all?—That is not intended to say that we three signed for the Company as a matter of fact. We did not sign; but we agreed the subscription should be made by the Company.

By Mr. Guthrie:—

Q. Should be made and paid?—Well, I do not know as to the words. Before the book was signed it was agreed that the money was to be paid by the Company.

By Mr. Palmer:—

Q. Did not you gentlemen sign the subscription lists individually in your own names and for separate amounts?—I can only say this—

Q. Just answer the question categorically, will you? Yes or no?—I have no personal knowledge that the hon. Mr. Ross or the hon. Mr. Robinson signed any subscription list at all; and I have absolutely no memory that I ever signed one myself.

As I stated before the commissioners, I never saw a subscription list; and I have not the slightest recollection that I did.

Q. After hearing Mr. Macpherson say to-day that you did sign it, have you any doubt?—From my confidence in Mr. Macpherson, if he says I signed it, and my name is there, I believe I signed it.

Q. I ask you whether this answer which you have made here does not apply to the payment of the money and the agreement for the payment of the money and not to your signing the subscription list. (Reading from the report of the Commission) ?—I say it was agreed to among us three—

Q. I did not ask you that; will you answer my question, yea or nay?—I cannot tell, because I cannot tell when the subscription was made.

Q. I understand you now to say that you do not remember signing any subscription list at all?—No; I do not.

Q. Then how can this statement you have made here apply to the subscription list?—You tell me I repeat myself; but I cannot help it. I say that neither Mr. Ross, Mr. Robinson nor myself involved ourselves in any promise or agreement to pay anything until it was previously agreed between us that the Company should subscribe \$2,500.

Q. But what has that to do with the answer here? Has this answer anything to do with the subscription list?—I did not have anything to do with any subscription list of which I have any knowledge.

WEDNESDAY, March 21, 1877.

Committee met.—Mr. ARCHIBALD in the Chair.

Col. F. W. CUMBERLAND re-called.

By Mr. Guthrie:—

Q. Mr. Cumberland, have you completed your investigation of the books yet from the date spoken of?—Yes.

Q. That is from the 1st July, 1867?—Yes.

Q. From that examination and from your memory, do you say whether or not there was any item other than those referred to in the report of the Royal Commission or mentioned by you yesterday—of the same character?—From my examination and knowledge I am able to say that there are no other items than those which are already before the Committee, analogous to the items dealt with by the Commissioners in their report.

Q. That is from July, 1867, or from an earlier period?—An earlier period; certainly to then, and I think I may say the books as a whole.

Q. Do you remember the general election in 1872?—I do; that was the election in which Mr. Robinson ran for Algoma wasn't it?

Q. Yes?—No, I do not think it was, Mr. Guthrie; it was the election in which he ran for Algoma.

Q. No; you ran in 1867, Mr. Cumberland. Mr. Robinson was elected in 1872.—But I think Mr. Robinson was elected not at the general election, but a little later.

Q. No; at the general election.—Was it? yes; I remember it.

Q. Did you contribute to the election funds that year?—Are you speaking of me individually or of my Company?

Q. Speaking of either.

(Objected to by Mr. McCarthy on the ground that the committee had no right to enquire as to whether the witness contributed personally to an election fund or not.)

Q. Did you contribute to the election fund that year, to the general election or to any other election fund?—I did.

Q. Out of the funds of the Company?—No; not out of the funds of the Company, excepting in relation to the election for Algoma of Mr. Robinson.

Q. Did you contribute then over and above that election?

(Objected to by Mr. Palmer.)

Mr. Guthrie—Mr. Cumberland's account is overdrawn very seriously, and I want to know whether it arose from his contributions to elections. Mr. Cumberland, you say you did contribute—well, I want to know if you paid your contribution out of the funds of the Northern Railway?—I did not.

Q. Was your account with the Northern Railway overdrawn at that time—1872, that is your personal account?—I could not say without looking. I could tell you in a moment by looking. [Witness produced and referred to the ledger of the Northern Railway Company for 1872.] At the end of the first half year of 1872, 29th of June, there was a balance against me of \$1127.80.

Q. Was that in addition to the notes?—No.

By Mr. Palmer :—

Q. Do I understand this includes the notes mentioned in your evidence?—That has nothing to do with the notes; it is exclusive of the notes.

By Mr. Guthrie :—

Q. That is what I asked, did you owe that to the company in addition to the notes?—No; the notes were subsequent to that.

Q. Did you owe that in addition to the amount represented by the notes?—I thing you will find that the notes were after that. Yes; you are right, this was in addition to the note—in addition to the 1869 note.

Q. Which was for \$2181.39?—Yes.

By the Chairman :—

Q. You say that that \$1127.80 was a balance against you?—No; it was a balance in my favor. At the end of the year, 31st December, there was a balance against me of \$928.07.

By Mr. Guthrie :—

Q. Would that be in addition to the note of 1869?—I presume it was. The note was running.

By Mr. Bowell :—

Q. I suppose your account in every quarter would fluctuate more or less, sometimes overdrawn and sometimes balance due you?—Yes.

By Mr. Guthrie :—

Q. Did you contribute to the general elections of 1867, or to any particular election of that year—the first election after Confederation?—No, I have no recollection.

Q. Did you contribute to the elections of the City of Toronto that year, or to any of them?—No.

Q. I mean the elections of Mr. Harrison and Mr. Wallis in West Toronto?—No.

Q. You contributed nothing?—No; I think not. I shall say no.

Q. I understood you to say that you did so neither out of the Company's funds nor individually.

(Objected to by Mr. Bowell.)

The Chairman thought this committee had nothing to do with Mr. Cumberland's own private contributions, if he made any.

Q. Did you contribute individually to the elections of 1867?

The Chairman—I think that question may be put and Mr. Cumberland can answer it or not as he sees fit.

A. I decline to answer.

Q. Did you pay any contribution to the elections that year by a cheque, or out of the funds of the Railway Company, directly or indirectly?—The expenses of my own election at Algoma were partially paid through my account with the Company. Beyond that none other.

Q. Did you pay any individual subscription to the elections that year by drawing a cheque on the Company and charging it to your private account?—No.

Q. Were the proceeds of any of the cheques entered in your private account in the Northern Railway books applied to the payment of any election subscription in 1867.

(Objected to by Mr. Palmer as coming within the Chairman's last ruling. Objection sustained.)

A. It is impossible for me to discriminate as to the proceeds of cheques charged to my private account.

Q. Was your account at that time overdrawn, 1867?—I think not; but I can appeal to the books.

Q. Did any payment by you towards any election expenses create an over-draught of your account?—Are you speaking except the Algoma?

Q. Yes; of course me know about the Algoma?—I cannot say. Upon the ground of my previous answer, I cannot discriminate.

Q. With regard to election expenses, you have already told us about your expenditure on your own election for Algoma in your evidence before the Royal Commission, and you have told us about Mr. Robinson's over-draught and your own. I wish to know if these over-draughts were with the knowledge and consent of the board of Directors, and if so, of which of the Directors?—I stated in my evidence before the Commissioners, I think, that they were not with the knowledge of my Directors.

Q. Then the notes that you gave, as mentioned in your evidence, were given at your own instance?—The pressure of the charges had become so heavy upon my personal account that it was necessary to relieve them; but being my own account I did not choose to take the responsibility of adjusting them other than by a note which would leave it for the authority of the board, at the proper time, to adjust according to their judgment.

Q. Do I understand that these notes were covered; was there any endorser on them, or security?—No, sir, my own note.

Q. Were those notes accepted by the board as satisfactory?—They were deposited with the Secretary by me.

Q. With the knowledge of the board?—No.

Q. Well, then, you made an arrangement with yourself to accept your own note, I suppose, that is the meaning of it?—The meaning of it is, as I stated before the Royal Commissioners, that numerous charges had been made to my account which belonged to the Company; for instance travelling expenses from time to time and other charges which should not have been charged against me personally, and which had not been written off by crediting the services to me specially. I could not adjudicate on them, and therefore I left it in suspense by making a note and thus relieve my account without acquitting myself.

Q. Do I understand you, then, that you abandoned your claim by giving the note?—On the contrary, it was to maintain the claim and yet relieve my account that I gave the note.

Q. Is the note collectable against you now?—I apprehend I could pay it if it is urged.

Q. You owe the money then?—If on investigation the Company says I owe the money.

Q. Have you ever sought an investigation?—I have not for this reason, that I held it over until our new Act should come into operation and capital account be opened.

Q. But what has a capital account being opened to do with your getting a proper adjustment of your account with the Company?—Because there are a considerable number of accounts standing in that way. The cheque referred to yesterday was suspense account on account of capital account.

Q. But what has capital account to do with your getting just claims, if they are just claims, settled by the Company?

(Objected to by Mr. McCarthy on the ground that everything bearing on this point was given in the report of the Royal Commission.

The chairman ruled that the question might be asked.)

A. Capital account had to do with a general adjustment of suspense account.

Q. When you got a new capital account you did not charge it to it?—We have not had a new capital account.

Q. You had a capital account, had you not, when you amalgamated with the

Northern Extension; you opened a capital account?—But that was a suspense capital account. We had no actual capital account, and have not now.

Q. But you charged some items now objected to to that capital account but not this?—I did not want to charge my own account. I left it in suspense in the way of a note for adjustment as being in my humble judgment the most proper course to take.

Q. Do I understand you to say that unless you get a new capital account you cannot get that claim allowed by the Company?—No; I do not say anything of the sort.

Q. Then why did you not get it allowed by the Company long ago?—Because I thought it better to leave the adjustment of all the suspense accounts until under new powers we were dealing with them.

Q. So you have never sought an adjustment?—The account is so simple that I have never sought any adjustment of the account; it remains there as a note.

Q. Is the note under your control?—It is in the hands of the secretary.

Q. Is it under your control, I ask you?—Everything is under my control.

Q. Then the note is?—Yes.

Q. And so the note remains under your own control?—Yes. It has been for many years and has been since it was made. I think I ought to add that the irritation of a question like that and the suggestion that it implies, oblige me to add that although you use the word “control,” it is not and never has been in my custody.

By Mr. Palmer:—

Q. Is this note any more under your control than the rest of the property of the company?—Not all. It has never been in my custody since it was made, and the very reason was that I would not exercise the authority I possessed over all other accounts over my own.

By Mr. Guthrie:—

Q. Do I understand that with regard to the note which covers the part of the purchase money of the *Chicora* you have never to this day brought that matter before the Board?—It was brought before the President and was the subject of conversation with the Directors and was brought before the Commissioners. It was dealt with before the Commissioners, so that my Board know all about it, and have since the commission sat.

Q. Have you transferred the *Chicora* to the Board, or your interest in it to the Railway Company?—No.

Q. When you purchased, or agreed to purchase, an interest in the *Chicora* did you do it ostensibly for the Railway Company?—If you tell me what you mean by ostensibly—

Q. Did you let Mr. Smith and Mr. Barnhart know that you were taking it on account of the Railway Company?—Mr. Smith and Mr. Barnhart knew it was for the Railway Company I wanted the steamer, and that as far as one third of the ownership was concerned I represented my Company.

Q. Mr. Barnhart, you know, in his evidence says this, he was asked the question, “You did not know his purchase was on behalf of the Northern Railway?” Mr. Barnhart says, “No; the agreement was with Mr. Cumberland personally.” He did not know evidently that your purchase was on behalf of the Northern Railway. Now, what do you say to this?—I say that if I was to secure the object I had in hand, it was necessary for me to take the position of purchaser, because the Company could not.

By Mr. Bowell:—

Q. That is the Company had no power to hold this kind of property?—No.

By Mr. Guthrie:—

Q. At the time of the purchase did you make known to Mr. Barnhart and Mr. Smith that you were purchasing on behalf of the Northern? Mr. Barnhart says no, and I want to know what you say?—I say that at the time of the purchase I knew that the Company could not legally hold that property, and I stepped in and took

an interest and induced the other two to take each a third in order to secure the steamer.

Q. I understand that; you said so before the commission. The point I wish to get at now is whether you told or made known to Mr. Barnhart and Mr. Smith that you were purchasing on behalf of the Railway?—No, I do not think I did with regard to the whole third.

Q. Then so far as these gentlemen knew they were correct, or one of them was correct in saying he thought it was on your own personal behalf you were acting? Now, I will tell you the reason.

Q. But the fact?—Well, the fact. It was absolutely necessary—

Q. Give me the fact first and then the reason?—I said no to the previous question, Now you ask me another.

By Mr. Palmer :—

Q. Will you go on and give the reasons you were going to give?—The reason was this, that it was necessary that I should have a personal interest in that steamer in order to satisfy both Mr. Smith and Mr. Barnhart that the operation was one which they could venture upon with safety; and thus it was that whilst I took one third of the steamer—a whole third because the Company could not take it—I took and now hold more than half of that third, that is a sixth in the *Chicora* personally. I have paid for it out of my own money.

By Mr. McCarthy :—

Q. But the *Chicora*, I believe, is in the name of Mr. Barnhart and Mr. Smith?—Yes.

Q. That is, the bill of sale is in their name?—Yes. I have paid more towards the purchase of the *Chicora* personally than the Company has, and I have no better security than they have.

By Mr. Guthrie :—

Q. You have explained that the boat was bought for the benefit of the trade of the Company?—Yes. She was about to be taken off that route, and as she was the best steamer on the Upper Lakes I thought it would be a great blow to the reputation of our line to take her away.

Q. Did you pay your own money before you drew on the Company?—It is my own money, not taken from the Company at all.

Q. What you paid of your own money did you charge to the Company subsequently?—No; it still remains.

Q. Have you sought payment of it from the Company?—No.

By Mr. Palmer :—

Q. If I understand, it is on your own account and not on account of the Company?—Yes, it is on my own account.

By Mr. Guthrie :—

Q. With regard to Mr. Robinson's election expenses, for Algoma and his overdraught of his account, have you got the book here containing Mr. Robinson's account?—Yes.

Q. Would you show it?—Yes. We have here (referring to the Ledger, page 570,) the Ledger account of Mr. Robinson, beginning in July, 1869.

Q. Would you hand in a copy of his account from 1867 down?—Yes.

Q. With regard to the subscription to the *Mail* newspaper referred to in the report of the Royal Commission—I understand, I think, from your evidence that that was in your name?—Yes.

Q. But paid for by the Company's cheques?—Yes.

Q. Have you the cheques here?—Yes.

Q. Would you show them to the Committee?—Yes.

By Mr. Bowell :—

Q. When you say a subscription, was that a thousand dollars invested in stock?—It was a subscription to the stock of the *Mail* Newspaper Company.

By Mr. McCarthy :—

Q. Was that before or after the *Mail* was in existence?—Before.

Q. Then you became a stockholder in the *Mail* to the extent of a thousand dollars?—Yes.

Q. In your own name?—Yes.

Q. And that as appears was paid out of the funds of the Company?—Yes.

By Mr. Palmer :—

Q. You were one of the original subscribers to the stock of the *Mail* to the extent of one thousand dollars?—Yes.

Q. The Mail Printing and Publishing Company?—Yes.

Q. Do you hold those shares yet?—I do not know; I presume so.

Q. Have you ever transferred them?—No; I have never transferred them.

By Mr. Casgrain :—

Q. Had you any particular object in view when you took that subscription?—Yes; we were fighting, as you already know, railway battles in the interest of our road and of our City, and I wanted something like freedom of entry for the discussions of those questions.

By Mr. Palmer :—

Q. What do you mean by freedom of entry?—I mean the introduction of arguments and discussions in the interest of my road and of the City of Toronto.

By Mr. Bowell :—

Q. And you thought the taking of that stock would give you a certain claim?—A certain claim.

Q. Did you obtain any such claim in any other newspaper by that or similar means, or any other means?—No; we never had any stock in any other newspaper.

By Mr. Palmer :—

Q. You considered this would be for the interest of your road and afford a means of putting your affairs before the public?—That was my object.

Q. Did it cost you money to do that before, in this or any other way?—We have paid money.

Q. Was this more expensive than the usual mode of doing it?—I did not anticipate that the stock would be such a financial failure. I thought we should get the advantage and that the stock would maintain its value.

Q. Who did you have to pay before?—Well, I could not particularize.

Q. Did you ever pay anything to the *Globe*?—They are our printers. We paid them each year large sums of money for advertising and printing. They have been our printers for twenty years.

Q. Let me ask you whether in this patronage you gave to the *Globe* you were actuated by about the same motives as you were in taking the stock from the *Mail*?—No, it was an ordinary printing account.

Q. I want to know if the motive was not about the same, this freedom of entry?—No.

Q. You had no freedom of entry in the *Globe* then?—No, not for a good many years.

By Mr. Bowell :—

Q. Well, at any time?—At one time the *Globe* used to be an advocate of the Northern Railway.

By Mr. Palmer :—

Q. Was that the time you appointed them your printers?—No.

Q. Was it before or after you appointed them your printers?—Before; they have been our printers from the beginning.

Q. Can you give us any idea of the aggregate amount you paid them?—No; I could not.

Q. Is there an account with the *Globe* in the books?—Certainly.

Q. Will you be good enough to give us a copy of that too with the others, the aggregate of each year?—Yes.

By Mr. Guthrie :—

Q. I suppose in addition to this stock subscription to the *Mail* you had a running account with them for advertising?—Yes.

Q. Was the subscription to the *Mail* any way on behalf of the Company, so far as the Company was concerned—as far as the *Mail* Publishing Company was concerned, did they in any way know that you were subscribing on behalf of the Northern?—I do not know.

Q. I understood you to say that you wanted to get as it were the advantage of entry to the *Mail*?—Well, the good-will, I mean—the good-will that is usually shown to each shareholder.

Q. That means for the Railway Company?—Yes; I think they knew; I do not know whether I told them.

By Mr. Bowell :—

Q. Had they any means of knowing whether this was taken by the Company or by you?—I do not think they would much care which it was.

Q. To whom did you make the subscription? Who had the stock book when they asked you to subscribe?—I forget.

By Mr. Guthrie :—

Q. Do you remember how the cheques were drawn for that subscription?—The subscription was put in three payments: one hundred dollars on subscription, deposit; then, I think, a five and a four—I forget the succession; three cheques.

Q. To whom were the cheques payable?—To the *Mail* Printing and Publishing Company.

Q. And they were ordinary cheques of the Northern Railway Company?—I am not sure whether the five and the four were cheques or notes. Sometimes it is convenient for us to pay in notes; sometimes we give cheques.

Q. Was there anything on the cheques to show that they were in payment of stock?—I could not say. We will bring the vouchers to-morrow morning.

By Mr. Bowell :—

Q. This taking of the stock in the *Mail* was in the manner of what you would consider an ordinary business transaction, I suppose?—I exercised my discretion as to the policy; and I thought it was one that was in the interest of my Company.

By Mr. Palmer :—

Q. You did not intend it as a gift to anybody; you thought it would be a good business transaction for your Company?—A good business transaction for my Company.

By Mr. Bowell :—

Q. Did you have any understanding with anyone connected with the *Mail* that they were to render such service on account of your having this stock?—No.

By Mr. Guthrie :—

Q. You say you considered it a business transaction; do you mean you considered it an investment for the sake of the dividend of the *Mail*?—No.

By Mr. McCarthy :—

Q. I understand you thought it advisable that that paper should be published in Toronto, and that they should look upon your road with favor?—Yes, the ordinary influence of belonging to a concern.

THURSDAY, March 22, 1877.

Committee met.—Mr. ARCHIBALD in the Chair.

Col. F. W. CUMBERLAND re-called.

By Mr. Guthrie :—

Q. With regard to Mr. Robinson's account, had you any agreement with him with regard to his allowance or salary originally when he became President?—No agreement.

Q. How was it fixed?—It was fixed, on consultation with the London Board, that the President should have double fees.

Q. That is double what an ordinary Director receives?—Yes.

Q. I see by a copy of Mr. Robinson's account that he was allowed credit, from month to month, apparently at the rate of £200 sterling a year?—Yes.

Q. You say it was the London Board that made the allowance to him of £200 sterling a year, that is double an ordinary Director?—I do not use that expression. It was a consultation at the original reorganization of the Company as to what the fees of Directors should be—and officers.

Q. Was any change made in the fees of Directors?—Yes; they were increased some years ago; I think some five or six years ago, or more perhaps.

Q. From what?—The Directors' fees had, up to that time, been £50 a year; and they were then increased to a hundred.

Q. That is sterling is it?—Sterling.

Q. The President's salary would be increased, I suppose, at the same time to double that of a Director?—I think the President's salary was £200 sterling from the origination.

Q. This account goes back to 1867—I believe that is already mentioned?—Yes.

Q. And it was apparently at the rate of £200 sterling up to 1870?—Yes. I have not looked at the account myself.

Q. Then I will show it to you. (The account was shown to the witness.) I notice that the increase begins July, 1872?—July, 1872; yes.

Q. Did that payment continue to Mr. Robinson as long as he was President?—Yes.

Q. Who made the increase; was it the London Board or yourself?—It was begun in consultation with the London Board—and with the Toronto Board too; but I think it originated in London.

Q. What knowledge had Mr. Robinson of the state of his account with the Company. Were accounts rendered to him?—No.

Q. Had he access to the books?—Yes.

By Mr. Palmer:—

Q. I see by this account that there is an apparent balance against Mr. Robinson of \$4606.71—was that an admitted balance by Mr. Robinson after giving him credit for all his claims against the Company. (Exhibit "E.")?—I do not know that Mr. Robinson ever admitted the balance as a true balance against him.

Q. Did not Mr. Robinson put forward claims against the Company himself?—Yes.

Q. Did he not claim that the Company owed him?—He claimed that if he had been properly paid the Company would be indebted to him instead of he being indebted to them.

Q. Can you say why Mr. Robinson's account, like your own, was not settled; I mean by an agreement between yourselves and the Company. What I mean is this, by both parties getting together and settling your accounts on both sides and agreeing upon a balance?—It was left an open account.

Q. Then let me ask you, whether the reason was or may not have been with Mr. Robinson the same as with yourself that there really was not anybody to settle it with, and you had no funds, as I understand it, out of which to pay the claims?—There was the Board to settle both with.

Q. Yes. Why was not your own settled?—For the reasons I gave yesterday, that we were waiting for legislation.

Q. Well, I ask you, would not the same reason not apply to Mr. Robinson?—If he chose, it would. The same reason would operate with me with regard to his account as with regard to others.

Q. If I understand it aright you had not a capital account. The fact was that you had not capital; that was the truth, was it not?—We have a floating debt.

Q. I will call it money—funds?—We had no available capital.

Q. In other words you had no means to pay it?—We had a floating debt without means to pay it.

Q. And therefore you left these things to be adjusted when you got the means to pay it; that is the English of it, is it not?—Yes.

Q. What were Mr. Robinson's duties as President?—To preside at their meetings, to represent the Company in external policies and actions, whether with other com-

panies or with the Government or Parliament, and to be in consultation with the executive officers.

Q. In other words that the duties, as far as his office was concerned, would be in the office with the other Directors presiding?—He presides at all our meetings, of course.

Q. What I mean is, it would be no part of his duties as President to do any work outside, himself?—In conjunction with the executive officers of the Company, and in carrying out the policy of the Board; he is not a mere figure-head.

Q. Supposing it was necessary for some gentleman to be sent in the interest of the Company to Ottawa or some other place, I want to know would it be a part of his duty to do that duty?—What duty?

Q. Going on the business of the Company, we will say to Ottawa or any other place?—Whenever the business of the Company required the presence of the President, it would be his duty to attend.

Q. Do you mean he would have to do that for the £300 stg.?—No further pay; but he would be allowed his expenses.

Q. Was there any rule or by-law of the Company defining what the duty of the President was?—We have no such by-law.

Q. It is simply that he is President of the Company?—President of the Company.

Q. Did Mr. Robinson claim to have furnished or given services to the Company outside of his duty as President or extra duty beyond what he was compelled by his office to do?—I am not aware that Mr. Robinson ever performed any duties for the Company outside of his office as President.

Q. I did not ask you that, but whether he did duties beyond the ordinary duties of President?—I am not aware of it.

How long was Mr. Robinson President?—Speaking from memory, I should say fourteen or fifteen years.

Q. Whom does the London Board represent?—Under our Act we are permitted to have four Directors of the Company resident in England and the balance resident in Canada.

Q. It is all one thing, is it?—It is all one thing. The London Board we regard as consultative, the Toronto Board as executive. That is to say, that the power is in Toronto.

Q. What I want to get at is, they do not represent different interests; one Board does not represent the bondholders and the other stockholders?—Not at all. The London Board is elected by the same vote as those in Canada.

By Mr. Bowell:—

Q. How much did you pay Mr. Justice Morrison when he was President?—A thousand pounds currency per annum.

Q. Did Mr. Robinson claim that he was entitled to that salary during the time that he was President?—I do not remember that Mr. Robinson ever claimed the same salary as Mr. Justice Morrison; but he always contended, that he had never been paid sufficiently, and he referred to Mr. Morrison's stipend as his successor in comparison with his.

Q. I see that you say in your evidence before the Royal Commission that it was your intention that he should be paid the same as his predecessor. The question is put, "but you were not paying Mr. Robinson the same as Mr. Justice Morrison." Your answer is, "No; it was my intention that he should be paid the same as his predecessor." Then the question "On account of that intention you paid him these amounts?" "A. I won't say that it was an absolute intention; but I saw and recognised his claim, and when the time arrived that I could exercise my influence, "I would see that he was paid. Q. And therefore you gave him these notes from "time to time? A. Yes; that was the reason." Is that substantially correct?—That is substantially correct. I do not say it was an absolute intention. The first answer requires the explanation of the second, because I never actually fixed in my mind that he should have the same as his predecessor.

Q. You say there, "it was my intention that he should be paid?"—It was my

intention to use my influence in getting his account so adjusted that what I regard as the unjust pay of the President—and I do still, and that the presidency in our Company is altogether underpaid; and it is a serious difficulty to myself, because I do not feel that I have, under the present system, the right to call upon my President for the services he ought to render, at the stipend which is attached to the office.

Q. Then you think Mr. Robinson should have received more than is at his credit?—I do.

By Mr. Casgrain :—

Q. Mr. Robinson had no other claims besides that, against the Company?—I am not aware of any.

Q. He never filed any?—Never.

By Mr. Bertram :—

Q. The salary of Mr. Robinson, when he became President, was fixed by you and the London Board at £200 stg., a year, you say?—Yes; it was settled in London.

Q. Had you any communication with the London Board at any time as to an increase of salary to Mr. Robinson?—Yes; Mr. Robinson applied to the London Board complaining.

Q. Did they agree to increase his salary?—They did not; the correspondence dropped.

Q. Then any intention you had of increasing Mr. Robinson's salary was against the wishes of your London Board?—I do not know that. The duties that ought to pertain to, and ought to be exercised by the President had been increasing every year for the last 18 years.

Q. That is not the question that I asked you. About the duties of the President?—All I mean to say is that I have not the power. What I said just now is that I would exercise my influence and give my views, and I intend to do so.

Q. But you state that in the correspondence you had with the London Board they would not agree to increase the salary?—The correspondence, if I remember right, was between Mr. Robinson and our London Board; but I also communicated personally with regard to it in London, but heard no more about it.

Q. But they did not agree to it?—They did not agree to it; but Mr. Robinson always protested and maintained his claim.

Q. At the same time you were corresponding with the London Board had you any correspondence, or was it brought up before your Board meeting in Toronto?—It was not,

Q. I suppose that before paying the additional salary to the President you would require the concurrence of the Board in London, representing the shareholders?—No; the power is with the Toronto Board.

Q. Then you would require the consent of the Toronto Board?—Yes.

Q. That you never got?—That we never got. The account is overdrawn for salary. Increased salary has been paid.

By Mr. Palmer :—

R. When was that London correspondence?—I should think about six or seven years ago.

Q. How long would that be after Mr. Robinson had taken the office of President?—Six or seven years.

Q. Did Mr. Robinson agree to take this less sum as President?—Mr. Robinson was aware of the stipend attached to the office of President when he accepted it.

Q. How was it fixed?—It was fixed at the time of the re-organization of the Company.

Q. Where?—In London when all that class of questions were under discussion; and the fees of the Directors having been fixed at fifty pounds a year, the opinion in London was that the chairman should take double fees, and it was settled.

Q. Then the London Board had not power to do as they liked?—No, they had not; but their influence was commanding.

Q. If they had not power, how did they fix it; that is what I want to know?—

They did not fix it but by understanding and instruction to me. They passed no order.

Q. That is they instructed you to pay no more than this £200 stg. a year?—They instructed me that the Directors were to have fifty pounds a year and that the chairman was entitled to double fees.

Q. This, if I understand right, Mr. Robinson protested against?—Yes; Mr. Robinson protested against it.

Q. And there was no order of the Toronto Board upon the subject, was there?—The Toronto Board has never passed upon it since Mr. Robinson accepted office.

Q. I heard it stated somewhere—I do not know where—that you had given a letter to Mr. Robinson stating that there was money due him?—I gave him a letter stating that I was aware that he was entitled to compensation for moneys which he had expended for the Company.

Q. Did you not also state in that letter that he was entitled to such an amount as the balance of his account?—I do not think so.

Q. Did that include a part of this balance?—I do not think I dealt with figures in that letter at all.

By Mr. Casgrain :—

Q. Have you got copy of that letter?—I have not.

By Mr. McCarthy :—

Q. Mr. Morrison was the President of the road before Mr. Robinson?—Yes.

Q. Immediately before him?—Immediately before him. I think it was on Mr. Morrison's elevation to the Bench that the vacancy occurred.

Q. And as long as Mr. Morrison was President was he getting this four thousand dollars a year salary?—I am not sure whether he did at the beginning.

Q. Do you remember when this re-organization you speak of took place. Was that prior to Mr. Morrison's leaving the Company?—Yes; Mr. Morrison was still President when the Act of 1858 was passed.

Q. Was his salary reduced; was there any change made with regard to his salary, or did it just continue as it had been?—The books will show that; I could not say.

Q. Then there was no by-law fixing the stipend in Canada?—No.

Q. But you had a conversation with the members of your own Board residing in London as to what the allowance should be for the Directors and the President?—Yes.

Q. Since Mr. Morrison became the President of the Company, is it a fact or not that the Company has been carrying on a warfare against rival lines, or what they considered rival lines?—Of recent years we have been almost continuously fighting against competitive lines.

Q. These were projected lines of railway?—Yes.

Q. What did your fighting or your opposition to them consist of? What did you do generally?—It consisted of negotiations with Municipal Councils. The holding of public meetings, and the getting up of propositions of our own.

Q. The propositions you have already spoken of in which these moneys were expended?—Yes; in order to occupy the ground aimed at by our rivals. In meeting our opponents before Parliament, whether here or in Ontario.

Q. Could you tell over what series of years that warfare has continued?—It has affected us for eight or ten years.

Q. Did Mr. Robinson take part in that warfare in going to attend Municipal bodies, and in holding public meetings and in attending parliaments either here or in Toronto?—He did.

Q. Did he take an active part in that?—He did.

Q. Then that was a duty cast upon him, in your judgment, as President?—Yes.

Q. But it was a great deal more than the ordinary duty of President, I suppose?—I do not think so. I think that the London Board has always been in error in regard to the office of President. They do not understand our Canadian and American system which makes the President a real officer, whereas in London their chairmanships are of much less relative importance to the bodies they preside over.

Q. That is not exactly what I meant. Comparing Mr. Morrison's services to the Company or the time he gave to the Company with those given by Mr. Robinson, which were the more laborious, which occupied the more time?—I am bound to say that as far as I know Mr. Morrison gave more complete attention to the Company's affairs than Mr. Robinson did, Mr. Morrison acting largely as an executive officer.

Q. That was sitting in the office in Toronto and assisting in the management?—Yes.

Q. Had he such outside duties as Mr. Robinson had—leaving his home, &c?—He had duties with reference to legislation, and he had duties connected with our relations with the Government, which were very intimate at the time of construction when the capital was being advanced.

Q. During the time that you were fighting these competitive lines, Mr. Robinson necessarily had a great deal more to do with outside work than Mr. Morrison had?—Mr. Robinson had during that period a great deal more to do of that character.

Q. This balance that appears against Mr. Robinson had been, I see from the account, ever since 1867 a half-yearly balance?—Yes.

Q. His account always appears to have been overdrawn?—Yes.

Q. Do you send the account to your board, or a balance sheet to your Directors in London. What knowledge would they have of the state of your accounts here?—The knowledge that they have of the state of our accounts here consists in there being half-yearly accounts forwarded to England.

Q. Do your half-yearly accounts show that Mr. Robinson's account has been overdrawn?—I do not think the balance sheet has ever been sent to England.

Q. You just send the sheet to England that you publish?—Yes. We send them all our traffics and expenditures monthly—our traffics weekly and our expenditure monthly.

Q. But would they know of this over-draught of Mr. Robinson's?—They would not.

Q. Did they know of it from communications you made, or from communications that as far as you know he made to the English Board?—I am under the impression that I communicated it to them myself.

Q. Then how long since there has been a claim made by Mr. Robinson on the Company for additional compensation to that which you are crediting him with?—I think he has been discontented from the time he took office.

Q. And have you entertained the same opinion about it that you express now?—I did not entertain that opinion so strongly for some years, because the executive duties which were performed by Mr. Morrison previously had fallen upon myself; and the operations of the Company had not then extended so far as to make the position one of any very great burden. But year after year our operations have been enlarging; and I consider that it has been a very serious difficulty to myself that, the President not being properly paid, I have not been able to secure the service that I ought to get from the President.

By Mr. Guthrie:—

Q. What is Mr. Thomson, the present President, getting?—He is getting double fees, the same amount that has been put to Mr. Robinson's credit.

Q. That is £200 stg?—£200 stg.

Q. Does he give as much attention as Mr. Robinson to the business?—More.

Q. You get more assistance from Mr. Thomson than you did from Mr. Robinson?—Yes.

Q. You say that Mr. Robinson has been dissatisfied all along; but you are quite clear that he accepted the office of President knowing what fees he would get?—Yes.

Q. And his dissatisfaction has never led him to resign; he continued notwithstanding that he did not get the increase?—He continued the presidency of the road till two years ago.

Q. Supposing that he was to get an increase of salary, that would be charged as working expenses, wouldn't it?—It would.

Q. So that if he were properly entitled to more compensation for his services as President you had an account to which you could charge it?—Yes.

Q. And as far as having the money is concerned, he has got the money; it was not a want of money, and it was not a want of an account that prevented you making him an extra allowance. That is so, I suppose?—It was not the want of money. It was not the want of an account.

Q. If he was properly entitled to this money it would come as working expenses?—It has been already explained that the account was waiting adjustment.

Q. Mr. Robinson applied for the consent of the London Board and did not get it, you said?—Not in that form. I said there was a personal correspondence between the President and the Chairman of the London Board upon the subject, but that it dropped.

Q. With regard to what?—With regard to the stipend attached to the presidency.

Q. I suppose Mr. Robinson applied for the increased stipend?—No. There is quite a difference between an official correspondence and a personal communication between the President and the Chairman. I am not personally aware if he corresponded—that is I never read it—but I know from Mr. Robinson, and I know from Sir Henry Jackson—our London chairman, that such communications passed.

Q. Was it in the nature of an application from Mr. Robinson for an increase?—Yes; and Mr. Robinson subsequently pressed upon me when I was going to England about five years ago, the duty of submitting to the London Board that the stipend should be increased, and I did so.

Q. Perhaps it was in consequence of that that they raised it; because in 1872 it was increased, you know, to \$1,500?—That was not with special reference to the office of President; it was with reference to all the Directors.

Q. The others got an increase too?—Yes.

Q. Why was the reduction made when Mr. Morrison retired and Mr. Robinson succeeded him; was there a change made in the duties of President?—It was part of that same change which, in 1858-59, reversed our net revenue from a deficit to a profit. It was part of a system of economy.

Q. And was it also the change in the salary or allowance in consequence of a change in the duties that would devolve upon the President?—I do not think that affected them at that time; because I had been serving as Vice-President of the Company for two years, and I had taken upon myself nearly all the burdens pertaining to the presidency. Indeed all of them say that Mr. Morrison had been relieved by my services prior to the change.

Q. How did you come to give Mr. Robinson the letter that you refer to?—Because he appealed to me on the ground that life was uncertain and that I knew all the circumstances of the case, and that therefore he would like the letter from me in the event of my death. I wrote the letter stating generally with reference to his overdrawn account—as far as I can remember the letter; for I took no copy of it—that I was aware that he had claims against the Company, and that that represented expenditures that ought to be charged to the Company.

Q. I see you say in your evidence before the Royal Commission that sometimes he himself—Mr. Robinson himself—may have got notes from the secretary without your knowledge?—That occurred several times, I think.

Q. Do you remember to what extent that was; I mean the amount—the aggregate?—I do not. I know that it occurred several times, and that it was done contrary to my orders by the secretary.

Q. What would be the position of Mr. Robinson's account in the event of the London Board declining to increase his stipend; then this would be correct would it, this account in the books?—The London Board will not deal with the question, apprehend, at all. It will be left with the Toronto Board.

Q. Was there any agreement between you and Mr. Robinson, any positive agreement, that he should have a certain allowance, with reference to the amount of the allowance, or the period for which he was to have the increased allowance?—None whatever.

By Mr. McCarthy :—

Q. The fact, as I understand, is this, that while your books show Mr. Robinson is a debtor to the amount of this four thousand and odd dollars, you have given him a letter to the effect that this is still subject to adjustment?—I am of the opinion that a just recognition of Mr. Robinson's services and a knowledge of the disbursements which he has made as President of our Company would go far towards, if not past, the balance of his account.

Q. That is not exactly the question which I asked you. The books of the Company show that he is a debtor to this amount of four thousand and odd dollars, and you have given him a letter to signify that although that is the state of the books, the account is still subject to adjustment?—That is the effect of it.

By Mr. Bertram :—

Q. You state that Mr. Robinson protested against the amount of his stipend—can you tell me what time after he became President he did that?—I said he was discontented from the first.

Q. You say he protested against the amount?—He has been protesting and complaining for many years.

Q. Was there no special time after he became President that he approached you with a protest of this kind?—I think from the outset Mr. Robinson regarded the stipend as entirely insufficient for the office.

Q. You speak of some campaigns in which Mr. Robinson was engaged for your railway; I suppose his expenses were paid?—His expenses were paid. His disbursements were paid for him.

Q. Was there any of that money paid over to himself?—I should say none. That is the reason I adopted the language of saying his disbursements were paid for him.

By Mr. Casgrain :—

Q. When you speak of the adjustment of the account of Mr. Robinson, I understand it is a mere matter of option with the Board to make an allowance or not; he has no legal right, in your opinion, to that?—I do not think he has any legal right, it would be optional with the Board.

By Mr. Palmer :—

Q. When did Mr. Robinson cease to be President?—February, 1874.

Q. Did he resign or was he superseded by the Board?—On the election of the new Board for 1874 another gentleman was chosen as President.

Q. I suppose the Board had reasons for that or they would not have done it?—I suppose so.

Q. Do you know what they were?—(Objected to by Mr. Casgrain as going beyond the reference of the committee. Objection sustained by the chairman.)

Q. Mr. Guthrie asked you whether Mr. Robinson knew the amount of his salary at the time he accepted this office, and whether he resigned or not. I think you said he did not; but let me ask you whether the President is not elected every year by the Board?—Every year.

Q. Did not the Board every year elect Mr. Robinson with a thorough knowledge that he was claiming more than this thousand dollars a year as his salary as President?—I cannot speak of the other members of the Board; I can say that for myself.

Q. Do I understand you to say that you did not know that the claims that Mr. Robinson was making were known to the other members of the Board?—I cannot speak for other members; sometimes they were quite new members.

Q. Did not some of them know?—Some would know.

Q. And yet these gentlemen voted and continued him in the office?—Every year down to 1874.

Q. Did they also know from year to year of these over-draughts that Mr. Robinson had made or that the Company had made to him?—It appeared in every half-yearly balance from the date it occurred, and was presented to the Board every half year.

Q. Therefore these gentlemen not only elected Mr. Robinson knowing that he was making these claims year after year, but they did it in the face of the fact that he had actually been paid?—Yes.

Q. And it was not settled by either M. Robinson on the one side or the Board on the other?—No.

Q. But was left in suspense for the reasons you have given?—Yes.

Q. That is, claims that were made by Mr. Robinson and not paid by the Company were not, in your judgment, equitable claims against the Company?—I think Mr. Robinson has an equitable claim for the reconsideration of his account, and, in my judgment, if it is equitably dealt with, it will show a balance in his favor.

Q. You said that the London Board were not aware of the nature of the duties that were required of a President in this country?—They are not now.

Q. Then, don't it follow that this stipend that was fixed in London could not have been fixed in view of the services that Mr. Robinson has rendered, but rather with a view of his being a figure-head?—It was so far fixed as—

Q. Did not they fix, or rather advise it as being a sufficient remuneration for the duties he performed, as they considered the duties in London?—Yes.

Q. And not for the duties he actually performed?—Yes.

Q. Therefore I assume that you supposed that when they ascertained the duties were different here from what they were in London they would be ready to pay Mr. Robinson more like what he thought he was entitled to?—I express my own opinion.

Q. I ask you whether you thought this would have an influence on the London Board?—I think my opinion would have a great influence on the London Board; but I said before that a settlement of his account and others kindred to it must rest with the Toronto Board.

Q. All these duties were done with the thorough knowledge of the Toronto Board, or the most of it?—Of the old members.

Q. I mean members of the Board at the time of the transaction?—Yes.

By Mr. Bertram:—

Q. Mr. Robinson knew well enough when he accepted the position of President of the Railway Company year by year that his stipend was fixed at a thousand dollars a year?—Yes.

Q. And accepted the position year by year with that knowledge?—Yes.

By Mr. Guthrie:—

Q. I understood you to say that on three different occasions, I think it was, Mr. Robinson went to Mr. Hamilton and got money or notes out of him contrary to your orders?—I do not think I said three; I said several different occasions.

Q. On how many occasions was it?—I could not say.

Q. Are these amounts charged to him?—Yes.

Q. Do you remember any one occasion on which the amount was charged?—I remember one occasion which led to considerable difficulty between me and the secretary by reason of my absence and his disobedience of my orders during my absence.

Q. What was the amount?—I do not know.

Q. Wasn't it considerable, Mr. Cumberland?—I think it was.

Q. As much as a thousand dollars?—No; I do not think there ever was so much.

Q. What was the amount Mr. Robinson got on that occasion contrary to your orders?—I could not say.

Q. Did you not go so far as to make an effort when you knew of it to stop the cheque?—No; the transaction was quite complete before I had any knowledge of it.

Q. But you were absent from home?—Yes.

Q. I see that on one occasion he got a note for two thousand dollars, and that there is one of a thousand and one of \$1150; seeing the date could you tell whether any of these is the one?—I think I can say that the last note referred to is the one.

Q. The last note is two thousand dollars?—Well, that must have been the note.

Q. And apparently that was a few months before Mr. Robinson left the Board,

or during the last three months of his presidency. October 1st, 1873, the note is charged to him?—He left office the following February.

By Mr. McCarthy:—

Q. It was during your absence, you say, that this note was drawn or given by Mr. Hamilton?—Yes.

Q. And during your absence was Mr. Robinson the executive officer in charge as the President?—In my absence Mr. Robinson of course would exercise authority if he chose.

Q. When you were there you had exercised the management?—Power was in myself unless the President overruled me. The President is a superior officer to myself.

Q. But practically you were the Managing Director and gave orders while you were there?—Yes.

Q. I see in the evidence you gave before the Royal Commission you say Mr. Robinson expended from these moneys he received from the Company on behalf of the Company and for the Company?—I have no doubt he did.

Q. Do you know that any large expenditure was made by Mr. Robinson about the time this two thousand dollars appears to have been given him?—I could not say.

Q. Mr. Robinson had received notes with your consent before that; I see here, that in addition to the note for the two thousand dollars, there is a note for one thousand and a note for four hundred?—Are they notes or drafts.

Q. It simply says "bills payable"?—I think you will find they were drafts.

Q. Well, they were of the same character, all three, at any rate?—The difference between a draft and a note would be that I should consider myself bound to accept the draft of my President; but I should exercise my judgment as to whether I should give him a note.

By Mr. Bowell:—

Q. But it would be entered as "bills payable" whether a draft or a note?—Yes.

By Mr. McCarthy:—

Q. I mean they are of the same character?—Yes.

Q. Then sometimes these had been made with your concurrence and sometimes not?—Yes.

Q. And sometimes Mr. Robinson had exercised sufficient authority to direct the secretary to make these notes?—Yes.

By Mr. Guthrie:—

Q. There are one or two items in your own account that I would like to ask you to explain. I see from time to time there is charged in the account, "Agency and commission;" is that part of your remuneration?—Yes; I can explain it if you like.

Q. If it is part of your ordinary remuneration, I do not presume to go into that?—I had better tell you. My arrangement with the Company originally was:—The Company at that time was in a desperate condition, and there were few people had any hope of its resurrection. I was an exception. I testified my faith in the possibility of restoration by accepting a small salary, supplemented by a good commission in the event of success; and that is the way my stipend has always been partially paid by salary and partly by commission. If I failed any year I got a small salary and a small commission; if I succeeded I got a small salary and a good commission.

Q. I see, April, 1874, an item of \$3,300.56?—I have not seen it; I have not looked through that account since I have been here; but I think it arises from an accumulation of charges made to my account which had never been released or written off, that is to say, taking travelling expenses—well, I draw, as I did the other day draw a hundred dollars to come down here. Well, I neglected for a very long period to write those off, and they were continuously charged to me until, at a particular day, the account was revised and I received credit.

Q. Can you just now give us the explanation of the items that go to make up this item of "Sundries \$3,300," April, 1874, in your own account?—No.

Q. It appears to have been composed of five items. I suppose you can inform yourself of them so as to give the committee an explanation?—Yes.

Q. Have you means of doing it here?—Yes; I can do it as soon as the committee rises.

Q. There is another large item of sundries, February 27th, 1875, \$2,574, in your account; can you speak as to that item from memory?—No; I should not like to speak from memory. I will get you the particulars.

Q. I have turned to the journal containing the items composing the charge of \$2,574, February, 1875; you have seen this, have you?—Yes.

Q. Can you explain them now?—I can explain them now if you wish it.

Q. The one of May, 1874; can you explain that too?—No; I must look into that.

Q. I see in your account that perhaps once a half year or once a year there is an item of sundries amounting to between two and three thousand dollars; are you aware of that?—You say so.

Q. Can you explain of what those items are made up?—I cannot explain all the accounts in one. The one upon which you have got your paper, if that is a test one, I can explain that.

By Mr. McCarthy :—

Q. That is the one in 1875?—Yes.

By Mr. Guthrie :—

Q. Can you explain the earlier ones?—I have no doubt I can. I cannot keep a set of books for twenty years in my memory; no, nor for five, nor for ten, nor for one. I told you I would look into those items and explain them to-morrow.

By Mr. Bertram :

Q. The item in journal 8, page 429 of \$2,574.95, which appears in your account as your expenses to England, is distributed over stationery and printing account, legal expenses account, postage and telegraph account, contingencies account, travelling expenses account, parliamentary expenses account, and head office supplies?—Yes.

Q. What was this money expended for?—The expenses of a visit to England on Company's business by order of the Directors.

Q. Any special mission you were on to England?—I have been on a special mission to England every year for the last five years.

Q. And this amount was spent on that one trip to England?—Yes.

Q. And what was the ordinary amount that a mission to England cost you?—It depends very much upon the length of my stay. I was staying there sometimes a fortnight, sometimes three months, sometimes longer.

By Mr. Palmer :—

Q. And I suppose also on the amount of telegraphing you did, and what lawyers you paid?—Yes.

FRIDAY, March 23, 1877.

The Committee met—Mr. ARCHIBALD in the Chair.

Mr. CUMBERLAND re-called and examined.

By Mr. Guthrie :—

Q. Are you prepared to-day to give explanations regarding the items of which a memorandum was furnished to you yesterday?—Yes.

Q. There is an item in your own account of September 30, 1867—Sundries \$2,150?—I find that that was an error of the Secretary who should have credited the Grey and Simcoe Railway instead of myself. The voucher for that amount is a voucher directing it to be credited to that railway and not to myself; but he, by error, carried it into my own account direct from the voucher.

Q. What is the effect of that on your account?—The effect of that would be to place the sum specified erroneously to my credit. I was credited with the amount by

error, the mistake evidently arising by reason of my cheque for \$2,200 drawn on the 27th August, 1867—a cheque in my own favour charged against me for disbursements on the Grey and Simcoe Railway account in opposition to the Wellington, Grey and Bruce.

Q. Was this cheque monies that you intended to expend?—Monies that had been expended. At that time we were sending large deputations into the County of Grey and large meetings were held at Walkerton where we were met by two other companies—the Wellington, Grey and Bruce and the Toronto, Grey and Bruce—and on the 27th August, 1867, I drew \$2,200 for this purpose, and that is the voucher to which you now refer. September 30, closing the account of the next month, the Secretary instead of carrying \$2,150 to the credit of the Grey and Simcoe Railway carried it direct to my account. It makes little difference whether it goes through my account or through the Grey and Simcoe, but it would have been more accurate if it had been charged to the latter.

Q. Does this voucher give details of the \$2,150?—No.

Q. Can you give particulars now?—I cannot give particulars now. But, I suppose we sent out four or five deputations all over the country to a series of meetings lasting over seven weeks.

Q. Is this \$2,150 included in the amount you mentioned the other day to the committee as having been expended on account of this railway?—No.

Q. Then it is additional?—Yes.

By Mr. Palmer:—

Q. This railway was one of the extensions that was afterwards incorporated with your railway? No. It was an extension from Angus through the County of Grey, in opposition to the Wellington, Grey and Bruce, and the Toronto, Grey and Bruce, but it never went into operation. The charter lapsed, and, in fact we were beaten.

Q. Then it was intended as a continuation or extension?—Yes.

Q. Who were the gentlemen who were engaged in this work?—A large number; I could name some of them.

Q. What were they doing?—Canvassing, holding meetings, making speeches, and, what is commonly known as bonus hunting.

Q. I do not quite understand you; was it a Parliamentary affair?—No, it was municipal. It was to secure the bonus.

Q. They granted it directly from the Municipality?—The County of Grey granted a bonus in aid of the construction of a line, but it was then a question as to who should get it.

Q. Was this a settled policy of the Municipality or the Legislature?—Of the Municipality entirely. Each of the railway companies were asking for it, and to get it for ourselves was to deprive them.

Q. It was a contest for a bounty that had been offered?—Each railway company wanted a bonus, and, of course, the County could not give it to all three, and it was supposed they would only give it to one.

By Mr. McCarthy:—

Q. Which were the other companies?—The Wellington, Grey and Bruce, the Toronto, Grey and Bruce and the Grey and Simcoe.

Q. Am I correct. I understand that the monies expended on this campaign had been charged to your account?—Yes. They were at the time charging them to my account and then crediting them to the Northern.

By Mr. Palmer:—

Q. What had the Railway to do with having representation in Parliament?—We were acting according to the example of other companies both in Canada and in England.

Q. I want to know if these bonuses, facilities or benefits could in any way be voted by the Legislature?—Not at all.

Q. Then this had nothing to do with your Parliamentary campaign?—Nothing

further than that the legislation enables us to take, and the Municipalities to give bonuses.

Q. I suppose if the Municipalities consented to grant the bonus it would require legislation?—No, they have the power already.

By Mr. McCarthy :—

Q. Why do you think this item is not properly credited to you?—I am simply stating the facts of the case. On reference to the books we find that the voucher that ought to be credited to the Grey and Simcoe Railway was in fact credited to me. And then I go on to explain that it does not make any practical difference because it would have been credited to me and the Grey and Simcoe.

Q. How do you mean?—Because I had spent the money. \$2,200 had been drawn on my private account for the purposes of that campaign, and I had to be recouped somewhere and the proper parties to recoup me were the Grey and Simcoe.

Q. If this had been credited to the Grey and Simcoe would there have been any corresponding item on the other side of the ledger?—No, the corresponding item was the \$2,200 I drew on my private account.

By Mr. Palmer :—

Q. You say it ought to be charged to the Grey and Simcoe?—The Grey and Simcoe practically was Northern.

Q. Then, in reality, the Northern ought to pay?—Yes, but it makes all the difference in keeping the accounts. I think it would assist the committee a great deal if we were to put in this paper showing the classification (Exhibit O.) This will explain how we keep our books and how it is that vouchers and drafts seem to be charged to different items. There are one hundred and twenty-nine different items, and as the expenditure is made the proper certifying officer classifies that expenditure under its proper item. Thus it is that you see this voucher charged to Parliamentary expenses, that to legal expenses, the other to new works, and so on.

By Mr. Howell :—

Q. I understood you to say a short time ago that since you gave your evidence some gentleman connected with another railway stated that you had spent one-tenth on that road than his Company had on theirs?—Yes.

Q. What road was that?—The Wellington, Grey and Bruce.

By Mr. Guthrie :—

Q. I suppose when you say that some one connected with the Wellington, Grey and Bruce Railway mentioned that to you, you meant one of the Hamilton Directors?—One of the promoters; I do not know whether he was a Director.

Q. From Hamilton or Guelph?—Hamilton. It was a gentleman who was in the room and heard the proceedings of the Committee, and, after it rose, he made that observation.

Q. It appears from your account you are credited in 1867 on June 29, with sundries \$2,555. Can you tell us what that item was made up of?—That was salary and commission to myself, due on that day.

Q. I see by your account that commission and agency are credited to you, and sundries as well, in some instances—I don't mean on this half-year—was this something special?—No, it is the same as the item to which you refer. A portion of my stipend is in the form of commission and a portion in the form of salary.

Q. It would be well that we should look at the account just to see that salary and commission are not charged separately?—(Producing paper). This is a case in point. The \$2,555 is composed partly of commission and partly of salary. In the entry it is sundries, but when it comes to be properly classified it would go: Agency and Commission to the proper account (item 127) and the other (salary) would be Toronto Direction and Management.

Q. I notice in your account that commission was charged in some cases and sundries also?—I think I am correct in saying that whatever comes to me is classified. In this case, this \$2,555, a portion of that would go to Toronto Direction and Management and the balance Agency and Commission.

Q. Could you state what your allowance is?—Yes I will give you that.

Q. Separating the salary from the commission?—Yes. The commission, I may tell you at once, is £100 for every one per cent paid on the second and third preference bonds.

Q. So as to make it to your interest to get the road up?—That was done as early as 1857 or 1858, when no one thought there was anything in the property, and they said if he will get us our interest we will pay him that commission.

Q. Have you had any other arrangement since?—One more recently by which the previous salary was applied, after amalgamation, in the same proportion to the new money as to the old.

Q. That would give you a considerable increase?—That would increase it. The salary was £800 per year and the increase would be as 72 would be to 95.

Mr. Guthrie (referring to the journal of 1867, page 299, and corresponding account in Ledger).—The item included under sundries is probably increased salary?—It is arrears of salary.

Q. Do you remember from what date the increase was granted?—(Reads from journal). Six months salary from 1st June to this date, with increase £450 sterling.

Q. Can you explain how it was you were not credited with it monthly?—I don't know that the Secretary had been instructed to do so, and he did it in the ordinary way.

By Mr. McCarthy:—

Q. When was that increase agreed to?—I forget the date, but it was by order of the English Board.

Q. Was there any increase in the commission as well as the salary?—No; there is no increase in the commission, but only in the salary.

Q. From the date of amalgamation?—No, that was before amalgamation; amalgamation was June, 1875.

Q. Has there been any other increase?—The increase after amalgamation was this:—All my dealings, having reference to my engagement, have been with the London Board. The London Board, after the amalgamation, made an agreement with me, which was afterwards adopted by the Toronto Board, under which I was to engage for a term of years, and in that agreement the salary was made to bear the same relation to the new mileage that it had done before to the old.

Q. You speak of the London Board making arrangements as to salary. Did they always make the arrangements with regard to salary with you?—The London Board arranged and the Toronto Board, if it concurs, adopts. My original engagement was with the London Board.

Q. This item of \$2,555 is composed of two other items; one of them being salary and the other commission?—Yes. The Secretary apparently put the two items under one just to save himself trouble. He adopted the word "sundries" himself; so as to make one entry instead of two.

By Mr. Guthrie:—

Q. There is an item in your account, "June 30, 1868," suspense account, new capital \$400?—Yes. These were disbursements connected with the legislation of 1868, or expenses incurred in regard to that legislation. The Act was to empower us to take up new capital, and that is the reason the expenses should be charged to new capital.

Q. Was that the expense of procuring the Act?—My expenses. There were two cheques of \$200 each.

Q. (Referring to Journal, 1868, page 606). On the 20th March \$200; and on the 21st April \$200? These were the dates?—Yes.

Q. In addition to the \$400 there seems to have been \$875 of expenses connected with the passing of the bill?—That is legal expenses in connection with the drafting of the bill, and carrying it through the House. We employed counsel, just as we are doing to-day. Some one has to pay it. It was to go into the accounts somewhere.

Q. What was the total cost?—I could not say without looking at the books.

By Mr. Bowell:—

Q. Who was the legal adviser at that time?—Mr. John Hillyard Cameron.

By Mr. McCarthy:—

Q. I see there is another item of \$250 for legal and parliamentary expenses. Now I would like to know how much this bill cost the Company?—I could not tell without abstracting the items.

Q. I understand the \$400 was your own expenses of coming to Ottawa just as you are to-day?—Yes, just as we are to-day.

By Mr. Guthrie:—

Q. What did Mr. Cameron get?—He got fees, and an annual retainer as was the custom.

By Mr. McCarthy:—

Q. But as to these other expenses on page 605 of the Journal of 1868?—I doubt very much whether they included the fees, because the amount is too small.

By Mr. Palmer:—

Q. I think it is charged that your account show something due from you to the Company. Is that so? Are you indebted to the Company?—I do not consider so. My account is balanced, but there is a note in suspense for adjustment for sums which I ought not to bear, but which I could not deal with on my own account.

Q. You are prepared to state on general terms that you consider you do not owe the Company?—Certainly.

Q. Will your statement say what amount the Company owe you?—My account is balanced and, I am agreed with regard to the amount of the notes given to cover the items improperly charged against me. The President reminds me that my account frequently fluctuates. The other day it showed a balance in my favour of between \$1,100 and \$1,200.

Q. Then the Company is indebted to you?—Yes. At the time, a few days before I left for Ottawa.

Q. Is that in your judgment correct?—Yes.

By Mr. McCarthy:—

Q. This is subject to the notes in suspense?—I may say that the committee may understand that that note is simply there because I do not choose to exercise my official authority and deal with my own account.

Q. What if you did deal with it?—If I did, then the note represents monies due to me from the Company.

Q. Then, in other words, you do not owe it?—Certainly not.

Q. If you had a fair settlement with the Company it would owe you something?—Yes. What I desire to say is that if I had exercised my official authority over my own account, the same as I did over other accounts, this account would not have been charged to me and the note need not have been made. A few days before we left Toronto there was money to my credit.

Q. And you say that although you have given a note which represents the amount that you have to account for, which you have expended on behalf of the Company which you were authorized to do?—Yes.

Q. If your subscription of \$1,000 to Sir John Macdonald's testimonial were charged to you, would there be still a balance in your favour?—Yes, if that were charged to me I would be still in credit.

Q. I mean, supposing the Company could recover that amount, there would be still a balance against the Company?—Yes.

Q. Was Hon. John Ross one of your Directors at the time of the subscription?—Yes.

Q. How does his account stand?—It is balanced.

By Mr. Guthrie:—

Q. With regard to the position of your account with the Company. You say they owed you \$1,200 before you came to Ottawa, is that after charging you with the notes?—That is on the assumption that my account has been properly relieved by the notes.

Q. That is, that you should get credit for the amounts for which the notes were

given, which included your election expenses in Algoma and Cardwell, and the disbursements for the *Chicora*?—Yes.

Q. Have you sought an adjustment with the Directors?—I have not.

Q. Well, on page 22 of the Royal Commission Report that the items referred to were connected with your election for Algoma and Cardwell which you considered the Company should pay?—I go on to say that the Company have really paid none of my election expenses. I paid them and they have given a note for them.

By Mr. McCarthy :—

Q. That is, they are included in this note subject to adjustment?—Yes.

By Mr. Guthrie :—

Q. You say that the Company would owe you \$1,200, and that is on the assumption that you would have the right to charge them with your election expenses?—Yes.

Q. There is \$8,000 charged against your special account in respect to the *Chicora*. That is not included in the notes, is it?—It cannot be. That stands in a special account in suspense; that is, separate from the note.

By Mr. McCarthy :—

Q. You say you think the Company ought to pay your election expenses; why do you think it would be a proper item to charge to the Company?—Because I incurred the expenditure in the interests of my Company.

Q. How was it in their interest?—It was in their interest. I scarcely know how to express it—to have persons connected with the line in possession of seats in Parliament.

Q. Now, what possible interest was that in the Local House?—Very much, because, unfortunately, the Local House has powers relating to railways.

Q. Had it any control over the Northern Railway?—Of course it had, because all the rival lines have had Ontario charters.

Q. In that way, it affected the interest of the line?—Yes.

By Mr. Bowell :—

Q. The Local House gives subsidies too?—Yes.

Q. Therefore you deemed it advisable in the interests of your Company that they should have a representative in the Parliament and, therefore, that they should pay the expenses of election?—Yes.

By Mr. McCarthy :—

Q. Was that discussed at your Board meetings?—No; it was never formally discussed by the Board.

By Mr. Bowell :—

Q. Then that would be apart of that personal management to which you have referred?—Yes; a great deal is done by conference and not by formal action.

By Mr. Palmer :—

Q. I understood you to say that it was in the interest of the Railway to have a representative in Parliament?—Almost every important line in England is represented by its chairman or director. Take Sir Daniel Gooche of the Great Western, and Sir Edward Watkin of the South Eastern as examples.

Q. But I want to know if it is considered to be to the advantage of the stockholders. Is the stock worth more or less than if the road was not represented?—It is regarded as an advantage to the corporation.

Q. There was no actual order of the Company to pay this money?—It will be perfectly competent to the Company to refuse to pay it.

Q. But in view of the circumstances you think it is equitable that they should pay it?—I think they ought to pay it, and I think they will pay it.

Q. Is this line a local line?—Yes, but the Dominion Parliament has it under its control.

Q. At all events the original charter is Ontario and the line is entirely in Ontario?—Yes, the charter is old Canada.

Q. Could that line be extended beyond the Province, and was there any such intention?—We never can tell what may happen. It is quite possible that the line could be run to the boundary of the Province.

Q. There never was a scheme to take it to the boundary?—Not of the Northern. But there was the Pacific Junction Railway.

Q. I am speaking of this Company?—We have never proposed to go to the boundary, but others have proposed to take up our line and continue to the boundary.

By Mr. Guthrie:—

Q. You say that in England the chairmen of railways are in Parliament?—Frequently.

Q. But do you say that the companies pay their parliamentary expenses?—I don't say so. I don't know. If you ask a treacherous secretary you may find out.

By Mr. McCarthy:—

Q. There is an item, October 31, 1868. Bank of Toronto \$500. What is it?—It is a credit.

(Mr. Guthrie objected to examining the witness on this item on the ground that it was passed.)

By Mr. Guthrie:—

Q. Have you looked into the items of which I gave you as memorandum, Parliamentary expenses of 1873? Can you give me the date of the item \$1,000 charged under the head of Parliamentary expenses?—25th March.

Q. I see it is "Paid J. B. Robinson's draft on Managing Director, of 13th March, at three days sight, \$1000;" what do you say to that?—That was a draft of the President on myself as Managing Director, and was paid.

Q. Do you know how Mr. Robinson applied it?—It would be well if the Committee would ask Mr. Robinson. I don't know.

By Mr. Bowell:—

Q. Was it a loan to Mr. Robinson?—I believe the draft was discounted at Ottawa and endorsed by Mr. Angus Morrison.

Q. That was during the session of Parliament?—Yes.

Q. Was Mr. Angus Morrison a Director at that time?—Yes.

By Mr. Guthrie:—

Q. What was done with the proceeds?—I have no personal knowledge.

Q. At that time, I see by the debates in the House, the Northern Railway had a bill before Parliament for the settlement of the Government claim for £100,000?—I believe so. That bill of 1873 did not carry.

Q. I find another draft of April 30, same year, charged to Parliamentary expenses. Does that relate to the same thing?—It is all the same thing.

Q. "April 30, paid J. B. Robinson's draft of April 17, \$750." Was that draft drawn at Ottawa?—Yes.

By Mr. Bowell:—

Q. And endorsed in the same way?—I believe so, speaking from memory.

By Mr. Guthrie:—

Q. On the 14th May of the same year under the same head I find "Paid draft of F. W. Cumberland of 9th May, \$200," was that also from Ottawa?—That was one from Ottawa of my own to meet the expenses of the party that were down here.

Q. Your draft then was applied to the payment of travelling and hotel expenses?—Yes, disbursements of that kind.

Q. And all your own?—Yes.

Q. On 27th May I find under the same head "Paid draft of G. D. Boulton of 21st May, \$500" ?—That was a similar draft to my own. Mr. Boulton was here with me as legal adviser and I requested him to draw that to pay our hotel bills, the expense of printing, and other expenditure.

Q. You had a number of people down to aid you on promoting the bill?—Yes, several of our officers and others.

Q. I find on June 25 of the same year "Paid J. B. Robinson's draft of 23rd May, \$2,000." Is that correct?—Yes.

Q. Where was that draft drawn from?—Ottawa, I presume.

Q. Have you got the drafts?—No, Sir, but we can get them for you.

Q. Mr. Robinson, therefore, appears to have drawn three drafts amounting to

\$3,750 in the aggregate from Ottawa. Do you know what he did with the money?
—I cannot say from my own knowledge.

Q. Was it in connection with the promotion of the bill before Parliament? That is, did you understand it that way?—You can get all that from the late President himself. I presume it was in connection with Parliamentary expenses.

Q. But did you understand at the time that it was in connection with the bill then being promoted?—I presumed it must be in connection with Parliamentary proceedings pending.

Q. Did you not understand then why the drafts were made?—When the President of my Company draws upon me I always honor the draft.

Q. But you charged them to Parliamentary expenses?—Because he was here.

Q. And you had a bill before Parliament?—Yes.

Q. And what use he made of the money you cannot tell?—I can tell nothing personally, I had no return from him.

Q. You had no account of the expenditure of this \$3,750?—No.

By Mr. Palmer:—

Q. Will you tell us what the scheme you had before Parliament in 1873 was?—We had a bill providing for the raising of new capital with a view to the liquidation of the Government lien.

Q. Then there was an offer to extinguish the Government lien?—The Government had such a scheme before Parliament.

Q. Then the object you had in view was two-fold; one was to get a discharge of the Government lien; and the other was to get the bill you describe, promoted?—Yes.

Q. At that time the Government did bring before Parliament a scheme to extinguish the lien?—If I remember rightly the Government gave notice of resolutions.

Q. You were, of course, canvassing many of the members?—Yes.

Q. At that time was the Northern Extension amalgamated with your line?—No.

Q. Were they interested also in this scheme?—No, except perhaps indirectly.

Q. Well what is of interest to the Northern is of interest to the Extension?—Yes.

Q. And what injures one injures the other?—Yes. Indirectly the Extension Company received a benefit.

Q. Then in point of fact you say that it was the Northern that had promoted the Northern Extension?—Yes.

Q. Was Mr. A. P. Cockburn a member of Parliament at that time?—I think he was.

Q. Was Mr. Edgar a member of Parliament?—Yes, I think he was.

Q. I see that both these gentlemen were stockholders. A. P. Cockburn for \$2,000 and J. D. Edgar for \$1,000 in the Northern Extension?—Yes.

Q. I see Mr. Edgar, in the North Grey Railway, was also a subscriber for \$2,000?—Yes.

Q. Do you know whether these gentlemen paid their subscriptions, and if so, when, and how?—I believe Mr. Edgar paid his subscription, but I do not think Mr. Cockburn did, I think he was ultimately released.

Q. Will the books show how these payments were made?—Yes.

By Mr. Guthrie:—

Q. When were these payments made?—The stock ledger will show.

(Further examination on this point was objected to by the chairman on the ground that on the date to which the examination had reference the Companies were separate and distinct, and that enquiry into the affairs of the Northern Extension should be taken up at a future time).

Mr. Palmer made objection to individual members of the Committee examining the books of the Company, except when following up any definite item in evidence or with the knowledge and order of the whole Committee, after the particular entry offered in evidence and thus an opportunity afforded to any member of the Committee objecting to its being looked at.

The order of reference was read.

The Chairman ruled that the books were before the Committee and every member had a right to examine them in any way he might think proper, for the furtherance of the enquiry.

M. Palmer appealed against the decision of the Chairman, and

The ruling being put to a vote it was sustained by a majority of the Committee.

SATURDAY, March 24, 1877.

The Committee met, Mr. ARCHIBALD in the Chair.

Mr. F. W. CUMBERLAND re-appeared and submitted the following returns:—

A return of the printing and advertising accounts with the *Globe* and *Mail* Printing Company. (Exhibit P.)

A return with regard to the Extension Line showing the cost of construction, the public grants made in aid of the railway, the capital account of the Extension as taken over, the floating debt at amalgamation, the cost of work at completion. (Exhibit R.)

A return showing the position of Mr. Cumberland's account up to June 30, 1869. (Exhibit Q.)

He also produced drafts referred to in yesterday's evidence dated 13th March, 1873, 17th April, 1873, 23rd May, 1873.

The evidence of the previous days was read over and corrected.

TUESDAY, March 27, 1877.

The Committee met, Mr. ARCHIBALD in the Chair.

Mr. F. W. CUMBERLAND, re-called.

By M. Palmer:—

Q. In speaking of the sum of about \$4,450 expended in the spring of 1873, or during the Session of 1873, you have already said that Messrs. Edgar and A. P. Cockburn were subscribers to the stock of the Northern Extension. Were there any other members of Parliament interested in the Extension road or the Company?—I think not.

Q. Was not Mr. Robinson?—Yes.

Q. Was not Mr. Angus Morrison?—Yes.

Q. Were there any more?—I think not.

Q. You said that Mr. Cockburn had not paid his subscription, and I see by the statement you have brought in with reference to the stockholders in 1875 that Mr. Cockburn's name does not appear in that statement at all. Can you account for that?

Mr. Guthrie objected to the question being put at this stage of the proceedings.

Mr. Palmer—I put this question because I desire to show who was in Parliament interested in promoting the subject then before Parliament, for the promotion of which this money should have been spent, and, preliminary to showing who took part in spending the money.

Mr. Guthrie—I object because it has already been shown that Messrs. Cockburn and Edgar were members of Parliament at that time, and Mr. Cumberland has told us that he has no personal knowledge of what became of this money.

Mr. Palmer (in reply to Mr. Guthrie)—I am not at liberty to show what became of the money unless I ask a preliminary question as to how this gentleman's stock at one time was unpaid, and at another time he is not a stockholder of the Company at all.

The Chairman—I think the question belongs to a different branch of this enquiry not yet taken up, but which will be, in due course, taken up by this Committee to investigate. I, therefore, think the question should not be put.

By Mr. Palmer :—

Q. You say, Mr. Cumberland, that these gentlemen were interested in the subject before Parliament. I see some of the sums of money you spent yourself?

*Mr. Cumberland—*Which sums of money?

*Mr. Palmer—*Some of that \$4,000.

A. So far as relates to my own drafts and Mr. D'Arcy Boulton's drafts, I joined in the expenditure and was partly responsible.

Q. I want to know whether Mr. Edgar and these other gentlemen interested in the road were acting in concert with you in promoting this legislation?—They were assisting us by their friendly offices in promoting this legislation.

Q. Did they take any part in Parliament?—I think so.

Q. Were they opposed to you or supporting you?—Supporting us.

Q. I suppose in promoting the scheme you were canvassing it?—We were doing all we could to carry our own measure.

Q. Mr. Edgar was the Grit whip and Mr. Morrison was the Conservative whip. You had two whips, and you did not carry it?—There was no use our carrying the Company's bill unless the money bill relating to the lien was carried by the Government.

Q. But, weren't you canvassing that also?—Yes.

Q. Well, in that, did not you see a good many dinners for which this money was paid?—I think I gave some myself.

Q. Do you think that Messrs. Edgar and Robinson were not just as generous as you were?—I do not know that Mr. Edgar engaged in any hospitalities on our behalf.

Q. At all events he did not pay for them?—I do not think he engaged in them.

Q. Do I understand you that he was not at the dinners?—I think he was at some dinners, he ought to have been.

Q. Who paid for these dinners that you gave?—My expenses and those of my party were charged as you know by those two drafts to my Company.

Q. In other words the Northern Railway funds paid for the dinners?—I speak with reference to the drafts which Mr. Boulton and I drew.

By Mr. Guthrie :—

Q. What drafts do you speak of?—The draft of \$200 dollars by myself, and the subsequent draft of \$500 made by Mr. Boulton, our solicitor, at my request.

Q. Do I understand you to say that it paid for all the dinners given?—It paid for all the dinners in which we, as a party, indulged.

Q. Whether there were any more or not I suppose you do not know?—I have a recollection of a dinner at which Mr. Robinson presided and Mr. Angus Morrison was vice-president in the room below here.

Q. That was while you were at Ottawa?—Yes.

Q. You did not pay for that I suppose?—No.

Q. And I suppose you do not know whether that came out of the Northern Railway funds?—I should consider that that was a disbursement by Mr. Robinson as our President.

By the Chairman :—

Q. Do you know it to be the fact?—I don't know it of my own knowledge, but I believe so.

By Mr. Palmer :—

Q. You saw the dinner, but how it was paid for, you do not know?—I do not know of my personal knowledge, but I take it for granted that Mr. Robinson gave the dinner.

Q. If I understood you aright these gentlemen—Messrs. Edgar, Cockburn, Morrison and Robinson—who were interested in it and were in Parliament on this occasion, had the same means of knowledge as you had.

*M. Cumberland—*Had the same means of what knowledge?

*M. Palmer—*They had the same means of knowing what was going on with reference to this canvassing on the promoting of this measure as you did?—I appre-

hend it was known to all members of the House. I mean to say that the fact that we were promoting the bill was known to the House.

Q. While these persons who were promoting the bill would have no more means of knowing of the dinners than the other members of the House, would not they have the means of knowing the object which you had in view by giving the dinners?—I have no doubt that everybody would connect the two.

Q. You say you do not what Mr. Robinson spent this money for, but, I assume you knew that these dinners would cost something?—If they were paid for.

Q. That is if they were paid for out of the money that Mr. Robinson drew. Now, how were they paid?—I have no doubt they were paid for, and by Mr. Robinson.

Q. And out of the money he drew?—And out of the money he drew.

By Mr. Killam :—

Q. You stated just now that you knew that Messrs. Edgar and Cockburn were canvassing on behalf of the Government bill?—We were indebted to Messrs. Edgar and Cockburn for assistance and kindly offices in promoting the measure, at that time, as we were to many other members of Parliament.

By Mr. Palmer :—

Q. What was that assistance; what were the kindly offices?—In acquainting members of the objects and tenor of the bill, in conciliating their support, in giving the assistance members generally give to bills to which they are friendly.

By Mr. Guthrie :—

Q. Did Messrs. Edgar or Cockburn get any of this money to your knowledge?—No.

Q. They got none of the money drawn by the President which in the aggregate amounted to \$3,750, to your knowledge?—No.

Q. And to your knowledge did they have anything to do with the expenditure of a simple farthing of that money?—Not to my knowledge.

Q. You are aware of one dinner given by Mr. Robinson?—I recollect it.

Q. Is that all you know of?—I think that was the only dinner at which I was personally present.

Q. Would that cost \$3,750?—Clearly not.

Q. Perhaps it was a mere matter of \$100?—I think it was a large dinner; I think there were from twenty to twenty-four people present.

Q. It would cost about \$5 a head I suppose?—The cost is according to the season and the tastes of the guests, I think.

Q. What would be the cost per head?—I really do not know. As far as my recollection goes, when I was a member of the House and gave dinners, they varied at from \$6 to \$10 a head.

Q. You said in answer to Mr. Palmer that Mr. Edgar did not engage in hospitalities on behalf of the Company. Did Mr. Cockburn?—No.

Q. Neither Mr. Edgar nor Mr. Cockburn?—No.

By Mr. Bowell :—

Q. Do you say that positively?—I am not aware that Mr. Edgar or Mr. Cockburn engaged in hospitalities connected with our measure.

By Mr. Guthrie :—

Q. Did you ever hear it asserted that Mr. Edgar or Mr. Cockburn got any of this money?—I have heard the honour of almost everybody in any way connected with my railway defamed and assaulted, and there are no exceptions.

Q. I mean of this particular money?—I have answered the question.

Q. As to this particular money did you ever hear it insinuated that they ever got any of it?—I do not think I did, until this morning.

By Mr. Bowell :—

Q. Have you any knowledge of how that money was disposed of by Messrs. Robinson and Morrison?—I have no personal knowledge, as I said before.

By Mr. Palmer :—

Q. You said that you did not know that Mr. Edgar engaged in any hospitalities on behalf of the Company. Do you mean that he did not give dinners, or do you

mean that he did not attend any of them?—I mean that he gave none to my knowledge.

Q. Was not he present at dinners?—Certainly.

Q. Did you ever suppose that Mr. Edgar had kept any money himself?—Never.

Q. Did you suppose that any of them had kept the money, themselves, for their own purposes?—I know nothing of the disposition of the money. I know that neither Mr. Edgar nor Mr. Cockburn ever had money directly from us in reference to this expenditure of \$4,450.

By Mr. Guthrie:—

Q. Have you got the letters of advice that Mr. Robinson wrote, or did he write any, advising you of making this draft upon you?—I have no such letters of advice.

By Mr. Bowell:—

Q. Were you in Ottawa at the time some of these drafts were made?—I do not think I was in Ottawa at any time that these drafts were made.

Q. Was it the understanding that Mr. Robinson should draw upon the Company for such sums as he might deem requisite for the purpose of promoting the bill?—I think, at the outset, it was understood that Mr. Robinson should promote the bill, and, therefore, expend monies according to his judgment.

Q. Which, I presume, he would obtain by drawing on the Company? That was the understanding I suppose?—I think in the first instance Mr. Robinson drew (without the amounts being previously named), in concert with the understanding that he was to promote the measure.

Q. Was any refund ever made?—Not to my knowledge.

Q. Any statement as to how the money was expended?—Not to my knowledge.

The Committee then decided to make a further examination of the books of the Company.

THURSDAY, March 29, 1877.

The Committee met, Mr. ARCHIBALD in the Chair.

Mr. F. W. CUMBERLAND, recalled.

By Mr. Guthrie:—

Q. I find an entry in the Cash Book of 12th November, 1869, "Parliamentary expenses, paid J. A. Macdonald's draft of 8th November, \$500." I also find in the Cash Book under date 29th November, 1869, another entry, "Parliamentary expenses, paid draft of J. A. Macdonald of 10th November, \$500." What were these drafts for?—They were for \$500 each.

Q. Yes, but what was the purpose?—I presume that they were in promotion of elections. These drafts, the effect of them, or anything relating to them, has entirely escaped my memory. It was only since I returned to Toronto this last time, that I was made acquainted of them. My mind with regard to them, before that, was a perfect blank.

Q. Have you any doubt but that they were for elections?—No.

Q. I find on reference to the journals of the House for 1870 that at the time those drafts were drawn there was an election—rather a celebrated one?

*Mr. Cumberland:—*Which was that?

*Mr. Guthrie:—*Sir Francis Hincks in North Renfrew. Was it in connection with that?—I have no doubt.

Q. Have you got the drafts?—We have sent for them, but they have not arrived yet.

Q. You have no doubt that they will come?—I am sure they will.

Q. Have you any letters of advice from Sir John Macdonald, advising you of drawing these drafts?—I have not.

Q. Have you any in your office at Toronto?—Not to my knowledge.

Q. I suppose you did not search after the matter being recalled to your recollection?—No, I can search though on my return to-morrow.

Q. You have vouchers here; have you the correspondence belonging to the Company here?—No, the letter books are in Toronto.

Q. These two drafts appear to have been paid out of the Railway funds?—Yes.

By the Chairman:—

Q. Was there any conversation between yourself and Sir John Macdonald verbally or otherwise that you can recollect of, immediately with regard to these drafts?—I have no recollection of any communication either written or verbal between myself and Sir John Macdonald.

Q. Or with any other person on his behalf?—I have some recollection of a conversation relative to the election in Renfrew.

Q. Do you recollect with whom?—I could not say with whom.

Q. Do you recollect the purport of that conversation?—It was with reference to the contest in Renfrew. I think it was a conversation that would lead to contributions to the election.

Q. You have no memoranda, or any means of recalling with whom that conversation took place?—No, I cannot remember.

By Mr McCarthy:—

Q. What is the entry in the Cash Book?—Parliamentary expenses, paid draft of J. A. Macdonald of 10th November, \$500. That is the entry of 29th November.

Q. Does it say who the draft is on?—No, it does not.

Q. What is the next one?—The same language exactly, except the difference in the dates.

Q. Do you remember whether the drafts were on you or on the Northern Railway Company?—On me.

Q. You were, I believe, then, a supporter of Sir Francis Hincks, as well as a warm personal friend, were you not?—Yes, all through my life, politically and personally.

Q. Was that on the occasion that Sir Francis Hincks returned to political life in this country?—That was the occasion of his first election after he had returned to Canada.

Q. You do not now remember with whom you had this conversation, whether it was with Sir Francis Hincks himself, or who it was, as to raising a fund to assist him in his election campaign?—I think I may positively say it was not with Sir Francis.

Q. Was it with Sir John Macdonald?—No.

Q. It was not with Sir Francis, nor Sir John, but you had a conversation with some person. Do you remember where it was? In Toronto or Ottawa?—In Toronto.

Q. Was it a conversation with the friends of Sir Francis?—I cannot remember who it was with, but there is just a recollection in my mind that before the Renfrew election—before the drafts were drawn—there was a conversation which prepared me for the drafts. In that conversation I think I assented to contribute.

Q. And having in that way consented to contribute to the election fund, you were not surprised at these drafts being made on you?—No.

Q. Did you, in that conversation, or at any time, give any person to understand that you would pay these drafts out of the Northern Railway funds?—I think, in conversation of that character, I was always regarded as a representative man. It was the Railway man that was speaking, not the individual.

Q. But did you say anything to lead them to believe that you would pay them out of the Northern Railway funds?—I could not say, but it is quite within my knowledge to say that in those matters I was regarded as a representative man, and as a railway man. People may have misunderstood, they may have attributed to me great wealth.

Q. You did not say anything about it, and that is the way you regarded it yourself?—Yes.

Q. But have you any reason to say that any other person regarded it in that way?—I cannot speak for others.

Q. What you mean is, that you, in agreeing to make this subscription to the fund, did it as a representative railway man?—Yes.

Q. But how others understood you as subscribing you cannot say?—No.

Q. And all you remember about it is that having agreed to contribute to the fund, these drafts were drawn upon you and you accepted them?—After the conversation to which I refer I was prepared for the drafts, and they came.

Q. You have not looked to see whether you have any correspondence?—I have not.

Q. There possibly may be correspondence. Would you have kept correspondence of this kind?—I do not think there would be any correspondence with reference to these drafts. I have my private correspondence, of course, like any other person.

By Mr. Bowell :—

Q. Did you ever intimate to any one in any way that the subscriptions you have made for election or any other purposes were to be charged to the railway fund; or, in other words, have you any reason to suppose or to know in regard to these subscriptions which were made by you for this purpose, that the parties to whom you made them had any knowledge that they were to be paid out of the railway funds, or out of your own private pocket?—Not as a matter of fact as to the payments, but I think it was generally understood in such cases that subscriptions of this class were provided by my Company, and were not personal.

Q. Had they any reason to suppose when you made the subscription that it would be paid out of the Railway fund?—I should say they had, or else they must have supposed me to be a much more wealthy man than I am.

Q. Had you ever any conversation with Sir John A. Macdonald in reference to this subscription?—I do not remember any.

Q. Did you ever imply directly or indirectly to him or through other parties to him that this subscription was to be paid out of the Railway fund?—I could not say that any such statement from me ever reached Sir John A. Macdonald directly or indirectly.

Q. Do you know that he had ever any intimation, impliedly or otherwise, that these drafts made upon you for the purpose before stated were to be paid out of the Company's fund?—I do not know.

Q. Have you any reason to believe that he did?—I do not know.

By Mr. McCarthy :—

Q. All you know, so far as Sir John Macdonald is concerned, about the money, is that having assented to contribute to this fund, Sir John Macdonald drew upon you for the fund?—That is all.

Q. Are you prepared to state that the person with whom you had the conversation, whoever he might have been, in which you consented to the payment to this fund, that that person had no reason to believe that you would pay any contribution you made, out of the funds of the Company?—I have no doubt.

Q. Of what?—I have no doubt that he believed that the contribution would be out of the funds of the Company.

Q. I would like you to recollect who he was, because it is important that we should have his evidence on that point. Can you not recall him?—I think it was Mr. Campbell.

Q. Which Mr. Campbell?—Mr. C. J. Campbell.

By Mr. Bowell :—

Q. That is the brother of the Senator?—Yes.

By Mr. Bertram :—

Q. You say that it was generally understood in all such matters as the granting of subscriptions that the funds were provided by the Company. Do you believe that Sir John Macdonald in making this draft understood that the money would be provided by the Company?—I could not state that.

Q. Because you stated it generally?—Speaking, generally, in such matters I am regarded as a representative man.

By Mr. Guthrie :—

Q. How long had you known Sir John Macdonald before this?—I know Sir John, I think, first, when he was serving in Sir Allan MacNab's Ministry. What year was that?

Q. That would be perhaps fourteen or fifteen years before the drafts were made?—It was at Quebec during Sir Allan MacNab's ministry.

Q. Had you become intimately acquainted with him, and he with you?—Yes.

Q. At that time you were a political supporter of Sir John were you not? and his ministry?—I was not.

Q. In 1869 were you not a supporter of Sir John?—That is not the time to which you were referring. I thought you were referring to the occasion on which I first became acquainted with Sir John.

Q. In 1869 you were a supporter of Sir John Macdonald?—Yes.

Q. You say that in those subscriptions people generally regarded such subscriptions as railway subscriptions in fact. Is that what you mean to convey to the committee?—I believe so.

Q. Have you any reason for believing that Sir John Macdonald was an exception to that general class of people who so regarded such subscriptions?—I cannot answer for Sir John Macdonald.

Q. When you spoke to some gentleman before the drafts were drawn about giving the contribution, did you say how much you would give?—I think not, the conversation was general.

Q. And the amount was not fixed?—I think not.

Q. When you accepted and paid the first draft did you expect another at that time? I could not say what my expectation then was.

Q. Well, you did not fix the amount before hand?—I do not remember.

Q. Would not you remember?—I do not think any amount could have been fixed or it would have been in one draft.

Q. I would wish you just to reflect for a moment to see if you could recollect the circumstances so as to be able to answer my question as to whether at the time you paid the first \$500 draft you were aware that another was coming?—I could not say.

Q. Were the drafts drawn on you, as drafts generally are, payable by the Company?

Mr. McCarthy objected to the question being put until the drafts were produced. The Chairman thought the drafts should be produced first.

By M. Bertram :—

Q. In speaking of those two drafts, I want to ask if you remember any other contribution of a similar kind made by the Northern Railway Company at any other time?—Yes, I do.

Q. Can you give us the particulars?—I could not give you the dates now.

Q. Can you give us the amounts, and who they were paid to?—I think so. Two sums of \$500 to Mr. C. J. Campbell.

Q. Do you remember the year?—I can give you the date by looking at the books.

(Books examined.)

Q. Did you find the entry of the last two items?—I did.

By Mr. Bowell :—

Q. What are the dates?—The 9th and 13th of August, 1872.

By Mr. Bertram :—

Q. (Examining the book). It is charged to yourself?—Yes.

By Mr. Guthrie :—

Q. Then there was one of the 9th, and one of the 13th August, 1872, for \$500 each?—Yes.

By Mr. McCarthy :—

Q. Charged to yourself?—Yes.

By Mr. Bertram :—

Q. Does this amount appear in your own account?—Yes.

Q. Do those two items form part of the amount that you gave the notes for?—I did not give any notes, on the same date I issued my cheques.

Q. I mean, do they form part of the \$10,000 note, and the \$2,000 note that you gave the Company?—Speaking from memory, I think they do.

Q. Does Mr. C. J. Campbell live in Toronto?—Yes.

Q. What business does he carry on?—Banker and broker.

Q. And you paid these two amounts to him?—I issued my cheque to him.

Q. Were you aware what they were for?—They were in connection with the elections.

Q. Any special election, or, was it the general election?—I do not remember.

By Mr. McCarthy:—

Q. You do not remember whether it was a contribution to the general election: what election was there in 1872?—A Dominion election.

By Mr. Bowell:—

Q. You gave evidence before the Pacific Scandal Commission?—Yes.

Q. You there stated that you made subscription to the general election fund. Is this a part of them?—Yes.

Q. Was this the entire amount of your subscription in 1872, in this way?—I think so.

By Mr. Bertram:—

Q. There is another item of the same kind on the 10th August marked "to be accounted for." Is that for a similar purpose?—I could not say without referring to the voucher (Referring to the Cash Book 1872). It is "to be accounted for *re* Algoma Election."

By Mr. Bowell:—

Q. I suppose that is a part of the Robinson account of 1872?—Yes. (The voucher was then produced.)

By Mr. Bertram:—

Q. You have turned up the voucher for these two entries, the 9th and 13th August?—Yes.

Q. What account is the amount charged to?—Parliamentary Expenses.

Q. And your own account is credited with it?—Yes.

Q. So that the amount was not a private subscription of your own, but a payment out of the funds of the Company?—Yes.

By Mr. McCarthy:—

Q. It was in this way that you paid the money: When you paid the money you charged it to your own account; that is, it was charged against you on the 9th and 13th of August?—The money was paid through my account and it was subsequently credited with the amount which was then charged to Parliamentary expenses.

Q. That was on 23rd October following?—Yes.

Q. Then the contribution was a contribution of your own; it was a contribution of F. W. Cumberland which was paid by F. W. Cumberland, and afterwards, as a matter of book-keeping, you were credited, and it was charged to Parliamentary expenses?—Yes, I was credited, and it was charged to Parliamentary expenses. The subscription was paid through my own account.

Q. And as your subscription?—The two cheques I issued to Mr. Campbell of \$500 each were my cheques.

By Mr. Bowell:—

Q. I see you stated in your evidence before the Pacific Railway Commission as follows: The question was put—"In that subscription to the election, did you consider in any way that you were recompensing the Government for any interest in the Railway?" (referring to the Pacific Railway.) Your answer is "Certainly I did not, I subscribed and paid as a member of the party." I will give you the same question with reference to the Northern Railway. In subscribing to the election did you consider you were recompensing the Government for any leniency shown to the Northern Railway, or did you subscribe as a member of the party?—I did not sub-

scribe with reference to any Government action whatever, but as a member of the party.

By the Chairman :—

Q. That question applies to your own private subscription, does it?—It applies so far as I was a medium to contribute.

Q. Did you say that you subscribed simply as a member of the party?—My personal subscriptions were as a member of the party; and the contributions, so far as having been charged to the Company, were not in reference to special considerations by the Government. They also were really party.

Q. That is to say, that the Northern Railway Company was subscribing to the party?—It is to say that whatever was done in that way was done, as I believe, in the interests of the Company.

By Mr. Bowell :—

Q. Had the Company any knowledge, as a company, of these subscriptions?—No, of course they were of a confidential character.

By Mr. Guthrie :—

Q. Was Mr. Robinson, as President, aware of those subscriptions?—I could not say specifically with regard to any particular items; but he was generally consulted.

Q. As to these two sums of \$500 paid to Mr. Campbell in August. Was he consulted with regard to them?—I could not say.

Q. Did he become aware of them afterwards?—I think so.

Q. Did he become aware of the fact that you had charged them to the Company, by the voucher of October, 1872?—I do not know that he was aware of the particular voucher, but I think he was aware that I did not carry the burden of these subscriptions.

Q. You say that you gave your own cheques to Mr. Campbell. Was he treasurer of an election fund?—He was a very active person at that time, but I am not aware about his being treasurer.

Q. He was active in the interests of the then government, I suppose of the government of Sir John Macdonald?—Of the party in Toronto.

Q. Well, the party which was supporting Sir John Macdonald?—Certainly.

Q. You said before that you had no doubt that Mr. Campbell regarded your subscription, not as personal, but as representing the railway?—I have no doubt of it.

Q. Did he apply to you for these subscriptions of \$500 each in August, 1872?—I believe so.

Q. By the examination before what is called the Pacific Scandal Commission, I infer that Sir John Macdonald was aware that you had helped at this election in 1872?—I presume so.

Q. Do you know whether he was aware of the amounts of the subscription?—I do not.

Q. Did he become aware through you of the fact that there had been \$1000 contributed in August 1872?—I do not think I ever had any conversation with Sir John Macdonald with reference to any subscription. I do not think I had any conversation with reference to the two drafts that have been under discussion this morning. I do not remember a single conversation with him referring to the subject of subscriptions to elections.

Q. Do you know whether Mr. Campbell, in addition to being an active member of Sir John Macdonald's party, is not also an intimate personal friend of Sir John?—Yes, he evidently was; a great majority of Sir John's political supporters are his personal friends.

Q. Do you know whether Mr. Campbell was an intimate personal friend of Sir John Macdonald?—I should say, decidedly.

By Mr. Bertram :—

Q. Did you contribute any other amounts to Mr. Campbell out of the funds of the Northern Railway Company for election purposes?—I think not, I am not aware of any.

Q. Do you remember any other amounts you paid to anybody else? I ask you

the general question again?—I do not, and I should not have remembered that, but that it was brought to my recollection when I was in Toronto last Saturday.

By Mr. Guthrie:—

Q. There is \$1000, if I recollect right, charged under the head of sundries, May 30, 1874, the particulars being legal expenses.

(Voucher 10620 of the year 1874 produced.)

Q. Was that connected with elections?—No, it was not.

Q. I find in the Cash Book, under date of May 25, 1872:—“Paid Angus Morrison's acceptance to *Mail* Printing Company of 23rd May, on account of subscribed stock, \$250, (Voucher 1759), charged to Contingencies.” There are two vouchers, one relating to the subscription of Mr. Morrison, and one by yourself. The first is from the *Mail* Newspaper Office:

Toronto, 16th May, 1872.

To ANGUS MORRISON, Esq., M. P.

DEAR SIR.—I beg to inform you that your acceptance for two hundred and fifty dollars (\$250) on account of stock in “The *Mail* Printing and Publishing Company,” will fall due at the Bank of Toronto, on the 25th May.

I am, dear Sir,

Yours truly,

(Signed)

CHARLES W. ROBJOHNS,
Cashier.

Then on the back appears to be this memorandum:

“Dear Cumberland,

“When you go up protect me,

“Truly,

“ANGUS.”

Then there is a similar notice of the same date with reference to your own acceptance of \$250, on account of your own stock. Then there is this memorandum:

“Mr. Foreman to get cheque from Mr. Hamilton and meet the acceptance at maturity to be charged to contingencies.

17 | 5 | 72.

“(Signed), A. J.”

By these acceptances yours and his appear to have been paid on 25th May, 1872, by the Railway Company and charged to contingencies?—Yes.

Q. Do you know whether more was paid than \$250 by the Railway Company on account of any acceptance on Mr. Morrison, for that stock?—I quite remember the thing now, I rather think that we shall find that the two \$1,000 subscriptions were paid.

Q. That is the \$1,000 of his and the \$1,000 of yours?—I think so.

By Mr. Bowell:—

Q. That is the Company paid Mr. Morrison's subscription to stock?—Yes.

Q. Why did the Company pay Mr. Morrison's subscription? We already understand why your subscription was paid for out of the Company's funds. Why was Mr. Morrison's paid?—To relieve him, I suppose.

Q. Were there any other subscriptions of stock by any one else that the Company paid?—No, I think not.

Q. Was Mr. Morrison a Director of the Company at that time?—I think he was a Director of our Company.

By Mr. Guthrie:—

Q. These subscriptions were not charged to Mr. Morrison in your books?—No, they were charged to contingencies.

Q. Were there cheques of the Company given, for Mr. Morrison's subscription, or any part of it, to the *Mail* Newspaper Company, or in what shape was the

subscription paid?—I am not sure whether they were cheques of the Company, or whether they were drafts. If they were drafts they would be paid by the Company.

Q. Drafts by the Mail Company on him?—I presume, on myself and Mr. Morrison.

By Mr. McCarthy:—

Q. The subscription, as I understand it, was a subscription of Mr. Morrison to the stock of the Mail Printing and Publishing Company, just as your own was, as you explained the other day?—Yes.

Q. And when these drafts were made upon Mr. Morrison for payment, he accepted them and you met them at his request?—I believe that is it.

By Mr. Guthrie:—

Q. Was it understood, Mr. Cumberland, before Mr. Morrison subscribed, that the Company should pay the amount of his subscription?—I think it was.

By Mr. McCarthy:—

Q. Was it understood between you and Mr. Morrison?—Yes, between Mr. Morrison and myself.

By Mr. Guthrie:—

Q. Do you know who applied to Mr. Morrison to subscribe? Did you and he subscribe together, at the same time?—I think so.

Q. Who solicited the subscription and procured it of you and Mr. Morrison to this stock?—I think, Mr. Sandfield Macdonald did.

Q. Do you know whether he understood that these subscriptions were to be paid out of the Northern Railway funds?—I think he did.

Q. Did you tell him so?—Well, I have no doubt that was understood; I think it was expressed.

Q. I see by the books that on the 3rd July, 1871, Mr. Morrison received a promissory note from the Northern Railway Company for \$1,000?—Yes.

Q. Did the Company pay that note?—Yes.

Q. Is that the note proposed to be given in your letter of 28th June, 1871?—Yes.

Q. It was given in connection with services Mr. Morrison rendered to the three railway companies?—Disbursements.

(Voucher No. 9535½ produced and letter read as follows):—

TORONTO, SIMCOE AND MUSKOKA JUNCTION RAILWAY.

Toronto, 28th June, 1871.

MY DEAR SIR.—Important legislation at Ottawa, by which both undertakings (the Muskoka and North Grey) were enabled by lease to the Northern to go into operation, together with the still more important measure (to the Muskoka and the Northern) of the Sault Ste. Marie Pacific Junction Railway bill, involved Mr. Morrison in considerable outlay. I am of opinion that the three companies, Northern, Muskoka and North Grey are indebted to Mr. Morrison in the sum of \$1,000, and that each Company should contribute one third of that amount.

Will you please consult with Mr. Barnhart, and if your respective companies concur—our secretary (Mr. Hamilton) will give a note at three months to Mr. Morrison which, at maturity, shall be charged in thirds against each of the companies.

Yours truly,

(Signed) FRED. CUMBERLAND.

Approved of,

F. SMITH,

N. BARNHART, President, N. G. R.

Q. Was that \$1000 all for disbursements?—On account of disbursements that were made.

Q. Made where?—Mr. Morrison at that time was a Director of ours. He had been extremely active in promoting the measures which resulted in the construction

of these two railways, and this was to re-imburse him for outlays he claimed to have made in rendering the service.

Q. Have you any account of the outlays?—No, I bulked them.

Q. How do you know how much he spent?—It is impossible for me to know how much he spent. I could only exercise my judgment in conversation with him as to what amount he ought to be reimbursed.

Q. Had he any account which he showed you?—In conversation he urged and explained them.

Q. How much did he urge he spent?—I think more than that.

Q. Did he give you any details or particulars?—No.

Q. Were these disbursements made by him at Ottawa?—Some of them.

Q. What proportion?—I cannot say.

Q. Did you submit this payment to the Board of the Northern Railway?—I think not.

Q. This letter does not say that his outlay exceeded that sum; it says the outlay was considerable?—I did not say it said that.

Q. Did you observe that?—I did.

Q. It says that you considered the three companies were indebted to Mr. Morrison in the sum of \$1,000?—That was my language.

Q. For disbursements?—For disbursements.

By Mr. Bertram:—

Q. Of this \$1,000, one third of it was payable by the three companies, the North Grey, the Muskoka, and your own?—Yes.

Q. Did you obtain from the North Grey and the Muskoka their share of the amount?—Yes, each was charged with one-third.

Q. Were they amalgamated at the time?—No.

Q. You had an open account with them?—We had an open account with them. They were independent companies at that time; we charged them with the amount and it was repaid.

Q. To what account did you charge the third that was properly paid by your Company?—Parliamentary expenses.

By Mr. Guthrie:—

Q. I find an entry in the Cash Book, No. 8, June 9, 1869, "Parliamentary expenses, by Angus Morrison of 7th June, \$400." As far as I recollect you had no bill before Parliament that year?—I think not.

Q. I find there were elections in June 1869. There was an election for South Renfrew, the writ for which was issued on the 10th June?—I do not remember anything about the election. Was that a single election?

Q. Yes; then there was an election in Lower Canada. Can you explain what this was for?—I cannot.

Q. Did you pay any drafts of Mr. Morrison's, or give him money for elections?—I think not, I do not remember any.

Q. Do you know why this was charged to Parliamentary expenses?—I do not.

Q. I suppose you could get us the draft?—I have no doubt.

Q. We wish to get it?—I exercised my judgment at the time as to the propriety of the charge, but I recollect nothing of it now.

Q. I find July 23, 1868, "Suspense account, new capital, Act of 1868, paid H. Bernard as per account, \$500." Who has he?—He was in the Law Department at Ottawa; Deputy Minister of Justice, I think.

Q. What did you pay him \$500 for?—For legal services in connection with the drafting of our bill.

Q. The account, I suppose, will show?—I think so.

Q. Is it customary to employ the Deputy Minister of Justice to draw bills you want to get through Parliament?—You can find that out from any one else; I know nothing about that. We took his advice, and we were very glad to have it.

By Mr. Bowell:—

Q. It was no part of his duty to draw your bill?—No.

(Voucher No. 1475 produced.)

"The Northern Railway Company of Canada,

To H. Bernard, Dr.

1868.

July 3rd.—To professional services as Parliamentary agent in
conduct of Act 1868..... \$500
Charge "Suspense Act, Act of 1868."

F. W. C."

Q. That amount was paid on that voucher?—Yes, Mr. Bernard went before the Committee and assisted us.

Mr. Cumberland said before the Committee adjourned he wished to draw the attention of the Committee to a statement which appeared in a paragraph in the *Globe* of Wednesday the 28th inst., that some testimonial to himself had been paid for out of the funds of the Company. As he did not know upon what authority the statement was made, he would like to be examined in reference to the item referred to before the Committee adjourned.

By Mr. Guthrie :—

Q. There is an item, January 4, 1868, reception committee paid J. G. Joseph and Co., on account of No. 269 (Voucher No. 269 of 1868 produced?) The account says "One presentation plate for F. W. Cumberland, Esq., \$380. By cheque, December 30, \$126.50," leaving a balance which was paid a few days afterwards?—That is in relation to a presentation made to me on my return from England in 1867, by the officers and men of my line.

By Mr. McCarthy :—

Q. How does it appear in the books of the Company?—It appears by that voucher as if the testimonial had been paid for by the Company, and it has so gone forth, whereas on examination of the account it will be seen that there was a reception committee of my officers, and the account was evidently opened by the Secretary as treasurer of the fund. It is not a Company's account at all, but he chose to bank the money as he received it, and pass it through the Company's accounts.

By Mr. Palmer :—

Q. The real point is whether the men were charged, or whether the money came out of the Company's funds?

The following voucher, No. 8819, produced and read:

"Geo. R. Hamilton, Pay Roll Acc., Dr.

To Reception Committee.

"For amount to be received from employees, whose names appear on
Pay Roll for month of March..... \$448 85

"TORONTO, 30th March, 1867."

A. That is it; the officers and men of the line made a subscription of so many days' pay, one or two (I really know nothing personally about it), and the most convenient way of collecting that appeared to be by getting the Paymaster to stop the pay when the monthly pay is due and return it. That is the way all such subscriptions are collected, and that is the way it was done on this occasion and the account was carried on. There was a reception and a dinner for 400 with table decorations, and all that sort of thing. It is a bitter thing to have it asserted in the papers that an honour done to me by a lot of good, generous fellows such as they are, was done by myself and paid for by the Company. It will come to this soon that a Railway Manager is not to be permitted to have the good-will of his men.

TUESDAY, April 3, 1877.

The Committee met.—Mr. ARCHIBALD in the chair.

The evidence of Thursday last having been read over,

Mr. F. W. CUMBERLAND was recalled.

Mr. Cumberland said:—I would like to say something with reference to the evidence I gave on Thursday and which has just now been read over. I said I thought a certain conversation had in regard to the subscription of two \$500 drafts was with Mr. C. J. Campbell. Mr. C. J. Campbell has written to me to say that in that particular I was in error, and that he remembers no conversation of that character with me in regard to that matter.

By Mr. McCarthy:—

Q. Have you any statement yourself to make in correction of that?—I have nothing further to say than what I stated in my evidence, which was to the effect that I thought the conversation was with Mr. Campbell.

Q. Do you still think so?—I cannot correct my memory by remembering a conversation with any other party.

Q. But do you still say it was with Mr. Campbell? You cannot remember who it was with, but do you think it was with Mr. Campbell?—I thought it was with Mr. Campbell, and except for his denial I should think so still.

Q. Is there anything that would enable you to say with any definiteness whether it was or was not Mr. Campbell? Have you any particular reason to recollect that it was he?—I have had so many conversations with Mr. Campbell on kindred subjects that my mind naturally reverts to him.

By Mr. Guthrie:—

Q. Was he a Director of the road?—He is now.

Q. Was he then?—No, he was not.

By Mr. Bowell:—

Q. Was he a stockholder at that time?—I do not think he was.

Q. Then Mr. Campbell had no interest in the road that you know?—I do not think he then had.

By Mr. Guthrie:—

Q. Have you the two drafts of \$500 each with you?—Yes (drafts produced and copied, the copies being marked Exhibit X and Y.)

Q. These are the drafts that were charged in November 1869?—Yes.

Q. The first reads:—"Ottawa, November 8, 1869, \$500; three days after sight, pay to my order \$500, at the office of the Bank of Montreal, Toronto, for value received as advised."

"JOHN A. MACDONALD.

"To F. X. Cumberland, Esq.,
Toronto."

"Accepted 12th November 1869,
F. CUMBERLAND."

Endorsed, "J. A. Macdonald," and also endorsed by the agent of the Bank of Montreal, Ottawa.

The next draft is "Ottawa, November 10, 1869, \$500; at ten days sight, pay to my order at the office of the Bank of Montreal the sum of five hundred dollars for value received as advised."

"JOHN A. MACDONALD.

"To F. W. Cumberland, Esq., M.P.P.,
Toronto."

Endorsed "J. A. Macdonald," also endorsed by some one for the Manager of the Bank of Montreal, Ottawa. It is marked "accepted 18th November, 1869, F. Cumberland."

I notice these drafts say "as advised." Did you look to see whether there were any letters advising you of drawing the drafts?—We have no letters of advice.

Q. Have you got the draft of Mr. Morrison of June, 1869 ?

(Draft produced and copied, the copy being marked Exhibit Z.)

Q. This is the draft charged in June, 1869, to Parliamentary expenses, \$400 ?—

Yes.

Q. Are you now able to tell the Committee what this was for ?—I have no doubt that it was in connection with legislation of 1868-9.

Q. What leads you to that conclusion ?—Because of the date, because of the phraseology of the draft, and my memory.

Q. What services had Mr. Morrison rendered in connection with the bill of 1868 ?—Services in the general promotion of the bill.

Q. In the House, or on the Committee ?—The general promotion of the bill.

Q. Did you ever get any account from him ?—I apprehend he either made an account which I cannot find, or, what is more probable, he explained the nature of it to me.

Q. Was this all he got in connection with the promotion of that bill ?—I think so.

Q. Why was the amount not paid to him at the time, or immediately after the bill was passed ? There is about a year's delay ?—I do not think so ; it is not a year's delay ?

Q. I think so ; the bill was in 1868, and this is in 1869 ?—I do not know when the session rose, but I should infer that this took place at the close of the session.

By Mr. Bowell :—

Q. Do you refer to this House, or the Local House at Toronto ?—This House.

By Mr. Guthrie :—

Q. The Act was assented to on 22nd May, 1868 ?—Then I am in error.

Q. That would be a year and a month after, and I ask you why the thing had stood over if that was paid in connection with his services in 1868. What was the occasion of the delay ?—I cannot say.

Q. The other accounts connected with that bill appear to have been paid in the summer of 1868. H. Bernard's account was paid in the beginning of July, 1868, and the other drafts were drawn in the spring of 1868 ?—Yes.

Q. There is nothing on the draft to lead you to the conclusion that it was in connection with the legislation of 1868 ?—No, there is nothing on the draft.

Q. And you have no voucher or account from Mr. Morrison ?—I have not.

Q. Do you know how the \$400 was arrived at ; was it the length of time he had devoted in connection with the promotion of the bill ?—I think it was arrived at in conversation and discussion.

Q. On what principle ?—I could not say.

Q. Was Mr. Morrison a Director of your Company in 1869, do you remember ?—I think he was.

By Mr. Bertram :—

Q. Was this draft on you ?—Which draft ?

Q. This one of Mr. Morrison's ?—I do not remember ; is there anything on it to show ?

Q. It says : "At sight please pay to my order at the Canadian Bank of Commerce, Toronto" ?—There is nothing to show ; there are the bank figures on it.

Q. The draft is not endorsed, it is quite irregular ?—There seem to be bank figures on it.

Q. You will notice that the draft is quite irregular ; it is payable to his order, and there is no endorsement upon it ?—I have known such cases before.

By Mr. Bowell :—

Q. Had Mr. Morrison any account of any kind against the Northern Railway Company ?—He would have one as Director.

Q. Any account for services ?—I do not think he had any current account except as a Director.

Q. Because this draft says, "Pay \$400 currency, and charge same to my account against Northern Railway Company ?"—Yes.

Q. Might it be for that?—It could not be for that because at the time I accepted I classified it.

Q. Then you really do not know whether it was in connection with Parliamentary services or not?—I say that at the time it was accepted I charged it to that service immediately,—item 116

By Mr. McCarthy :—

Q. Was Mr. Morrison not engaged in assisting you in opposing those bills of rival roads you have already spoken of?—Yes.

Q. Is it not possible that that was for services in connection with that business?—It is quite possible.

Q. Then you did not mean to swear that that \$400 was paid to him for services rendered in 1868 in the promotion of this bill?—Speaking from memory I thought our bill of 1868 was in the Session of 1868-9.

Q. Then, except from the fact that you charged it to Parliamentary expenses you have no means of saying what the \$400 was paid for?—I have not.

Q. And that might have been in connection with the bonus hunting, as it was called, for your own roads, or in opposing other roads which you deemed to be competitive roads with your own?—We have been interested almost every Session in the Ontario Legislature in regard to bills before that House.

Q. That may be, but you do not mean to say it was in connection with services in this House; that would be a serious matter?—I cannot say it was so given.

By Mr. Guthrie :—

Q. Did you bring down a statement, I think it was asked for by Mr. Bertram, with regard to the Couchiching hotel expenditure?—Yes, (Exhibit W.) also a return of the advances to the Extension Company at date of lease and date of amalgamation respectively. (Exhibit V)

By Mr. Palmer :—

Q. I want to put one or two questions to you with reference to these drafts of Sir John Macdonald. Are not all the facts relating to the two drafts that you know of personally as follows: You, being a strong personal and political friend of Sir Francis Hincks, and he, at that time running an election for Parliament, were desirous of promoting his election and agreed to assist his election by subscription?—I have no doubt.

Q. After you so agreed were not these two drafts drawn upon you personally for the amount?—Yes.

Q. And you paid that out of the funds of the Northern Railway Company by your personal cheque?—They were ultimately paid out of the funds of the Northern Railway.

Q. Did you not afterwards give your notes to the Company for this amount, and for other matters, which notes the Railway has still, subject to settlement?—No, these drafts were paid by cheque of the Company, and charged directly to Parliamentary expenses, and did not go through my account at all.

Q. I see Sir John Macdonald's drafts were on you personally and not on the Company. Can you say that you ever gave him notice that you were going to pay, or that you had paid it, out of the Company's funds?—I have already said that I remember no conversation or written communication with Sir John Macdonald on the subject.

By Mr. Guthrie :—

Q. Had you ever agreed to contribute \$1,000 to this election of Sir Francis Hincks, or did you just pay the drafts as they were drawn on you?—I do not remember agreeing with regard to any specific sum; but I remember consenting to contribute before the election took place.

A conversation arising with reference to witness' account with the Company—(Exhibit Q) for which notes were given,

Mr. Bertram asked :

Q. What items is your account, for which you gave the two notes, composed of?—You will find that in the evidence before the Royal Commission, Report page 22

Q. Explain what the last item in that account is for?—It was a balance of \$4,000 which I claim as against the Company in connection with the Cardwell election evidence concerning which was given before the Commission, (Report page 22). You will see it as follows:—“Q. Of what other item did the \$10,411 note consist?—A. “Services charged to my account. Q. What were they?—A. They were connected with my elections for Algoma and Cardwell which I considered the Company should pay.”

Q. You now say that the item of \$4,000 was for the Cardwell election?—I do.

By Mr. Bowell:—

Q. You say of these that you paid them yourself and gave a note to the Company for them?—Yes.

THURSDAY, April 5, 1877.

The Committee met, Mr. ARCHIBALD in the chair.

Mr. F. W. Cumberland said:—With regard to the draft of \$400 of Mr. Morrison, I desire to say, that on further consideration, I have no doubt that it was in connection with legislation before the Ontario Legislature.

Mr. CUMBERLAND was then examined:

By Mr. Bertram:—

Q. Mr. Moberley was an engineer of the Northern Railway?—Chief Engineer.

Q. What salary did you pay him?—I could not say from memory.

Q. There are amounts of \$133.33 in the accounts credited to him regularly, probably that would be his salary?—I think his salary varied. It increased from time to time according to the length of his service. My impression is that it was £600 a year.

By Mr. Palmer:—

Q. Sterling or currency?—Currency.

By Mr. Bertram:—

Q. This amount of \$133.33 was regularly put down as sundries. It would amount to \$1,600 per annum?—My impression is that his salary was £600 per annum.

Q. You are not certain?—I am as certain as I can be, speaking from memory, because when he retired his successor received that.

Q. There is an item here, March 31, 1873, contingencies \$500. I see by the journal that that was an amount paid to him by order of the Directors?—Yes.

Q. I notice in this account there is a credit to Mr. Moberley of \$3,486.72, and included in that there is an item of contingencies, a bonus of \$2,000 that was paid by order of the Directors?—Yes.

Q. Mr. Moberley's account seems to have been overdrawn on July 1st, 1873, by the sum of \$1,979.43. I suppose this \$2,000 covered that item?—On Mr. Moberley's retirement from the service a Board's order was passed closing his account in the manner you see.

Q. There is a further payment to Mr. Moberley of this kind, of various items put in as a credit in his account to the new elevator and the wharf at Collingwood; was that a commission he got?—Yes, it was considered, and I think very properly, that a special work of that sort justified a special payment to the engineer in charge. It could not be regarded as included in the ordinary duties in which he was engaged, and he was accordingly paid—and paid very much less than we should have paid if we had employed an outsider and paid his commission.

Q. What was the rate of commission? What was the percentage?—I forget; I know it was economical to us to employ him in that way rather than to employ, as other roads have done, elevator engineers.

Q. Mr. Moberley seems to have left the service of the Northern Railway in 1873?—Yes.

Q. Had he any contracts with your Company after that?—He had; after the amalgamation of the Northern and the Extension.

Q. What contract had he?—He had the contract to construct the road from Severn Bridge to Gravenhurst.

Q. Is that finished?—Yes, it was finished to date.

Q. He has now no connection with the Company?—None.

By Mr. Palmer :—

Q. How long had Mr. Moberley been in the employ of the Railway?—He succeeded Mr. Sandford Fleming who was our chief engineer; I think he was in our service eight or ten years.

Q. Did he receive more money in this form compensating him for the services he rendered?—Mr. Moberley was a most valuable officer, and, I think, if you take all his pay from beginning to end, that he was a very economical officer to the Company.

Q. Did you pay more to him than Railway Companies are in the habit of paying engineers who have done the amount of work, and as well as Mr. Moberley did it?—I should say less.

Q. In that amount, I presume, you included commission and everything else?—Every thing. I quite concurred with the Board in the action they took on Mr. Moberley's retirement. A more valuable or faithful officer, one more devoted to his work, was never employed by any Company, and he merited all he got.

By Mr. Guthrie :—

Q. I see in the books something of a testimonial to Mr. Moberley. I think it was over \$800. What was that?—I quite remember something of the sort, but it was a testimonial from the men of the road. I do not think you will find that the Company ever gave him a testimonial. He was a most popular officer, and when he retired every officer and man on the road was sorry to lose him, and they gave him such a testimonial, which I suppose was a wickedness.

Q. I find a large amount paid to Mr. Moberley in 1868 on a contract for the supply of fuel?

Mr. Cumberland—What was the entry of the date he left the service?

Mr. Guthrie—In 1873 he left the service.

Mr. Cumberland—Is it Mr. C. W. Moberley?

Mr. Guthrie—Yes, in three months of 1868 he got \$10,000. In all he got \$18,969. From January 10, 1868 to November 20, 1868, he got \$18,969. He appears to have been engineer at the time he got this contract?—It seems so, I will make enquiry into it.

By Mr. Bowell :—

Q. Was Mr. Moberley under salary to the Company at the time you paid him this commission for work done at the elevator?—Yes.

Q. Did that work interfere in any way with his ordinary duties?—Not at all.

Q. Was his time as chief engineer occupied all the time by the Company?—Yes.

Q. And yet he could find time to attend to the superintendence of the building of this elevator for which you paid him an extra commission?—Yes.

Q. And when he left the service of the Company he had overdrawn his account and you granted him a bonus to balance it?—What I say is, that Mr. Moberley, in constructing those elevators for the Company, did a special work which, I think, in all other railways was the subject of the employment of special engineers.

Q. What I want to know is whether it is the practice where you have a salaried officer whose time is supposed to be that of his employer, to grant extra commissions for work he is asked to do?—It is a matter of opinion. My Board thought, and I think properly, that he should be paid for his extra services. If he had not been paid extra he would not have done the work, and we would have had to employ other parties to do it, and pay higher for it.

Q. You had no control over him then?—No more than as chief engineer whose duties involved the maintenance of our works and such new works as are connected with new railway service. Take the Great Western to-day. They are going to put up an elevator at Toronto. They do not employ their own engineer, but they are going to employ Mr. Moberley to do it.

Q. I only wanted to know whether a salaried officer of the Company could do extra services which I suppose he might have done as an officer of the Company?—The duty of constructing the elevators was not included in his duty as Chief Engineer.

Q. And the attendance he gave to that work did not interfere with his other duties?—Not at all.

By Mr. Palmer :—

Q. So long as he looked after the engineering of the road and the new works in connection with the road, he could do what he chose with the rest of his time?—Certainly.

Q. And he was not obliged to do this work?—We had no right under his engagement to call upon him to build elevators.

Q. And you thought it was to your advantage to employ him?—Certainly, greatly.

By Mr. Bowell :—

Q. You have not told us how much that commission was?—I cannot remember.

By Mr. Guthrie :—

Q. The following are the items paid: \$187.30; \$140.30; \$138.63; \$100.61; \$167.53; \$58.40; \$174.83; \$135.06; \$150.55; \$112.23; \$129.25; \$100.21; \$156.03; \$127.42; \$123.03; \$124.80; \$155.69; \$152.04; \$66.79; \$119.11; \$129.62; \$172.86; \$455.05. Total, \$3377.35. The first payment was April 30, 1869, and the last was November 30, 1871; the payments extending over two and a half years. You paid apparently \$3,377 to Mr. Moberley as commission on the construction of these elevators. What did the elevators cost you? Were there one or two?—Two, one at Collingwood, and one at Toronto.

Q. Did any other officer of the road get a commission of a similar character to this got by Mr. Moberley for what may be called extra or additional services?—No.

Q. Did you yourself?—No. I have telegraphed to Toronto for accurate information regarding the fuel account held in Moberley's name; but I may tell you at once that I have no doubt—not the slightest doubt—that Mr. Moberley carried the wood business as agent for the Company.

Q. It is marked "contract" in the books?—Yes, but you will find that he was simply utilized as an officer, for charging the wood, instead of buying it outside, just the same as our wood officer is now.

Q. Still it is entered as if he was the contractor?—That entry, Mr. Guthrie, does not mean that the contract was made with Mr. Moberley, but he, as our officer, was making full contracts with other people, that is, getting the supply for us.

By Mr. Bertram :—

Q. Here is an item (voucher 4th January, 1871,) "Pay S. B. Harman, alderman, \$150, and charge the same to contingencies, Central Passenger Depot." What was this for?—That was in connection with a scheme which at that time was being promoted by the Great Western Railway and ourselves with a view to securing a Union Passenger Station at Toronto, where the three railways, including the Grand Trunk, should be combined. The two companies, the Great Western and ourselves, procured Mr. Harman to promote the necessary legislation for organizing a Joint Stock Company upon the basis that a Union Station should be constructed by a separate company and leased to the three railways—the Grand Trunk, the Great Western and the Northern—and it was with a view to that that Mr. Harman was provided with the means to carry his bill and form his company.

Q. Was it a local bill?—A local bill.

Q. Was that money paid to him in connection with any services in the City Council?—None, whatever.

Q. It describes him as an Alderman?—He happened to be an alderman at the time.

Q. But it had nothing to do with his position as Alderman?—Not at all.

Q. At that time were you seeking any leave or anything else from the Council?—I do not remember, but I gave you my evidence as to the account. We felt the

proposition to be of great importance, but the Grand Trunk tripped us up, built its own station, and excluded us.

Q. I suppose that your station near the City Hall is on Corporation property?
—Yes.

Q. And I think it was built before this, was it not?—Yes.

Q. Had it anything to do with that?—Nothing.

By Mr. Palmer :—

Q. It was paid to him for promoting the bill?—Yes; he was President of the Company, and he acted with the Great Western and Northern in promoting the bill with a view to our getting a Central Passenger Station, we being jealous of the Grand Trunk doing it, and making the Great Western and ourselves special tenants of its own.

By Mr. Bertram :—

Q. Here is an item, 3rd January, 1871, "Please pay Alderman Baxter \$100, and charge the same to legal and Parliamentary expenses." Do you remember what that was for?—I could not say specially.

Q. You notice that the items are within a day of each other?—I do not think they have the slightest connection.

Q. Here is a voucher, "Please pay to the order of G. P. Shears \$110, in full settlement of account against the Hincks' dinner committee." (Signed), T. C. Paterson?—Yes.

By Mr. Guthrie :—

Q. What was Mr. Paterson? Secretary?—Secretary of the committee.

By Mr. Bertram :—

Q. This was paid by your Company?—Yes, that was when Sir Francis Hincks returned to Canada, on his first arrival in Toronto, after an absence of ten years. And, it was considered, and I think properly considered, that he should be welcomed as became the services he had rendered and the position he had occupied in the Imperial service. It was thought, and I think properly thought, that my Company should contribute to that public welcome to Sir Francis Hincks.

By Mr. Bowell :—

Q. Was that considered in the interests of the railway?—I considered it in the interests of the railway, and I know that railway companies are almost universally expected, and I think properly expected, to join in local efforts of that sort, and they always do.

By Mr. Guthrie :—

Q. What is the date of the voucher?—April 23, 1870.

By the Chairman :

Q. Was that subsequent to Sir Francis Hincks' election to the House of Commons?
—No, anterior; that was when he first came back.

By Mr. Guthrie :—

Q. He was elected on 13th November, 1869, for North Renfrew?—There is no question but that that was a balance on closing the account. Whenever the payment was made it was for the dinner on Sir Francis Hincks' first arrival in the country, in Toronto at all events, prior to his re-entering political life.

Q. This, you say, was a balance. Had the Company paid anything previously?
—No.

Q. It was in full settlement of the claim against the dinner committee?—Yes, we undertook to pay the balance due to Mr. Shears as our subscription.

Q. When did you undertake to pay it; about that date?—Yes, about that date.

Q. It would be about that date?—I have no doubt. We agreed to contribute to the dinner. Every railway will do it. They do it in Peterboro; they do it every where; they do it at Hamilton.

By Mr. Bertram :—

Q. I see there is a charge every six months to Mr. Belford for reporting the semi-annual meeting, \$100? That was for some years?—I do not know how long it ranged. I know that so long as Mr. Belford was a reporter he was our reporter and

we paid him for his services as our reporter, he giving us a verbatim report of our proceedings.

Q. In one case here he is paid \$200 for Parliamentary expenses?—I have no doubt that is for services rendered as a reporter. We have to pay for a report as well as for everything else.

By Mr. Guthrie :—

Q. I find an item in the Journal ranging from September 30, 1868, to August 31, 1869, in which there is an amount charged of \$66.67 per month for Spence and Belford, amounting in all to \$800, and for which there is no voucher for any account?—That arose out of a contract with Spence for fuel transportation and cutting, and advances were made to him, I remember, as is usual on account, we taking a bond, then subsequently when the wood comes to be delivered and cut, the wood agent measures it and puts in a regular voucher which is carried to the credit of the contractor. In this case it is palpable that the payment to Spence was made by error of the Secretary, who instead of carrying the vouchers to the credit of the contractor, improperly paid the cheques in cash. We dispensing with Spence as an inefficient person and causing us much embarrassment broke his contract, in fact. Ultimately it turned out that the certificates had not been carried to his credit and the consequence was that we were losers of \$800.

Q. That is the way you have of writing off a bad debt?—That is the way that was adopted, most improperly by the late Secretary. It was his own error and I suppose he cloaked it up in that way.

Q. This is a bad debt then?—It is a bad debt and should have been carried to the profit and loss account.

Q. Is this Belford the same person who did your reporting?—Yes, the same person.

Q. Then Spence and Belford actually got this \$800?—Spence was the contractor, and I did not know Belford in the matter at all.

Q. But they were in partnership?—I required a second name from Spence before he could get the contract, and he offered me Mr. Belford's and I accepted it.

Q. Did you try to collect this?—I did not know of it, I think, until after the Statute of Limitations took effect. I might say that Spence became bankrupt and ultimately went to Manitoba. We suffer our losses as well as other people.

By Mr. McCarthy :—

Q. Your contract was with Spence in reality?—Our contract was with Spence.

Q. And Mr. Belford's name was given as a second name?—Yes.

Q. Do you know whether Mr. Belford had any pecuniary interest in the matter?—I have no knowledge, I could not say. I believe that what he did was a friendly service to Spence.

Mr. McCarthy—I have Mr. Belford's authority to say that he had no pecuniary interest at all.

By Mr. Palmer :—

Q. Mr. Bertram assumes that they were in partnership. Now, do you know whether any money was paid to Mr. Belford or was it paid to Spence?—We paid no money to Belford; all the money was paid to Spence.

By Mr. Bowell :—

Q. Do I understand you that the amounts referred to before were for services rendered by Mr. Belford in reporting the annual meetings and other meetings?—They were for professional services as a reporter.

By Mr. Guthrie :

Q. I notice, in looking through the different Ledgers, that there was a very large amount of money, amounting to many thousands of dollars, spent by your Company in buying champagne and other liquors. I took no particular memorandum, but I can safely say that there were several thousand dollars spent in that way, and I want to ask you if, in addition to these excursions that you speak of as being usual with railways, if you kept a stock of liquors in the Northern Railway offices for other purposes. I ask you that question because I notice in some of Fulton and Michie's in-

voices it is for the cellar?—You will allow me to give you a general answer to your question. I am glad you have raised it. The expenditure to which you refer in the general term of many thousands of dollars ranging over many years represent occasions, when, according to the judgment of my Directors and my own, we thought it in the interests of the Company to extend hospitalities to individuals, corporations or associations that might be upon our line, and we think that that expenditure has largely assisted in running the credit of the concern up to its present standard. Thus, we built those two elevators to which you have referred this morning. As each was completed we invited the Boards of Trade and the Corn Exchanges to go and start them, and we received them hospitably with a fitting luncheon, and we carried them free. That represents a portion of the several thousands of which you speak. We know that when a private elevator is opened it is precisely the course the proprietor takes in order to advertise his establishment as ready for work, and to invite his future customers to give him their business. And, we think it a highly profitable and most proper investment. I venture to trouble you with this general answer because I have heard so much in the lobbies about this that I think it ought to be explained. So, also, with regard to distinguished persons from England, who generally bring introductions to me, and generally with the expression of a hope from our English constituents that we would show them the road and the country that it serves. And then again with regard to Associations. One of the best advertisements that ever we had was when the Press Association on two occasions went over our road,—once as far as Lake Superior. And we certainly thought, and we still think, that to welcome the Press Association is an excellent method of getting our road advertized, as a mere business question. And, you must remember that the two corporations of Toronto and of the County of Simcoe are shareholders in the undertaking and, thus once a year, as a general rule, with very few exceptions, the City Council of Toronto go over the road. Once, and generally twice a year, the County Council of Simcoe go over the road, and we think it is a very proper thing, and we are very glad that they do so. Take, for instance, the Duke of Manchester, who has the very representative position of president of the Colonial Institute, of London. I have no doubt that the very fact of our taking His Grace all through the Muskoka District, and his acquainting himself with the opportunities for settlement there, and the experience he gained of the great territory tributary to our road has done us infinite good. So with Sir Henry Jackson, our London chairman, and Mr. W. H. Smith, a most prominent commercial man and secretary to the Treasury, and a Director of ours. When he came we would have failed to promote the interests of our Company if we had not taken him over our line. Take another distinguished person, whom we delighted to welcome, the Right Hon. W. E. Foster. It is indelicate to mention names, I know, but I am forced to it. The Right Hon. W. E. Foster was a most prominent member of Mr. Gladstone's administration, and he was accompanied by Sir Thomas Buxton, who was most desirous of seeing our line of country—most anxious to see this Muskoka District, and, moreover, to see what Canadian Militia service was, and there happened to be a camp at Holland Landing at the time. The result was that amongst those gentlemen, and I have only named a few, a knowledge of the condition of the Northern country and the credit of the Northern Railway have been largely promoted in England until our bonds stand at par, which can be said of no other Railway in this country.

Q. Then your opinion is that the spending of that money was to bring the bonds to par?—I say it has been purposely done in the best interests of the Company, and in precisely the same way, and with the same objects, that an individual would promote his own business. I beg to add that amongst others that travelled with us and that we were delighted to receive, and we thought it assisted us greatly, was the Ontario Government. On two occasions we have carried them, and we would have carried them much earlier and much more frequently if we could have only got them into the Muskoka District which we desired to develop.

By Mr. Palmer :—

Q. You don't mean to say that they drank champagne?—They did drink cham-

pagne. Again, I will add another instance, the Corporation of the City of Buffalo, a most important corporation for us, whom we were most anxious to cultivate, and whom we have cultivated by the means to which you refer. The Buffalo Corporation came for a visit to the City and our fellow citizens suggested that they should be shown the back country, and we performed what we believed to be in the interests of our City and of the Northern Railway, we took them up. And, I believe, if other corporations, such as Rochester and others will come, we shall exercise a wise discretion in doing, in the future, the same as we have done in the past.

By Mr. Bertram :—

Q. I notice three items in the Summer of 1870, mostly for champagne, of about \$1000, bought of John Baxter. Was he a wine merchant?—Yes, but I think you are wrong as to the amount.

(Vouchers 6936 and 7459 produced.)

By Mr. Guthrie :—

Q. There are two payments to the *Mail*, one of \$250, and one of \$270, apparently for editorial writing?—These I understand to be payments on account of the subscription of Mr. Morrison made whilst I was in England. I have never seen the voucher, but I have heard of it.

By Mr. Bertram :—

Q. There is a sum of \$421 for champagne to Mr. Baxter on June 24, 1874?—One was the opening of the Toronto elevator, the other was the opening of the Collingwood elevator.

Q. One item was in 1872?—Yes. The elevators were not built at the same time; one was built considerably after the other.

Q. Is Mr. Baxter a wine merchant?—Yes.

By Mr. Guthrie :—

Q. With reference to the sums paid to the *Mail*, there is one of October 2, 1874. "The Northern Railway Company, to the *Mail* Printing and Publishing Company, to editorials and notices in Daily and Weekly *Mail*, \$250." It was paid by you apparently?—No, it was paid in my absence by my son then acting on the Executive Committee of officers.

Q. Then there is another on October 23, 1874, "The Northern Railway Company to the *Mail* Printing and Publishing Company, editorials and notices inserted in the Daily and Weekly *Mail* \$270, charged printing and advertising. F. W. C." These are your son's initials?

A. Yes, he was acting under the Board's order, as chairman of an executive committee which is always organized in my absence to carry on the work.

Q. You said that these were paid in connection with Mr. Morrison's stock?—I know nothing of these vouchers, but I have been told that they represent the payments for which, at an early date of this Committee, we were searching as regard to the subscriptions to the *Mail*. These two, as I understand, go to make up the full figure of \$2,000, being mine and Mr. Morrison's subscription. That is the way these two vouchers are explained to me.

Q. By whom?—By the General Freight and Passenger Agent, my son.

Q. Then as a matter of fact did you agree to pay them these sums actually for editorials?—As a matter of fact, no. I have no knowledge of any such understanding.

Q. Then you know of nothing by which they have a right to these sums unless it be on the stock; do you?—I know of nothing; you will find that these figures make up the stock. That is the way it is explained to me.

Q. Can you get us then the other vouchers for the rest of the \$2,000?—I think so.

By Mr. McCarthy :—

Q. The City daily papers are in the habit of charging for advertisements which they put in their special column of notices of meetings, are they not?—They charge for what you call City items.

Q. I do not mean that. I mean, for instance, the report of a Board of Directors

of any of the large Companies, Insurance Companies, and so on. They are inserted in their special column and charged for at a much higher rate than advertisements?—
Yes.

Q. Are not these charges for items of that kind?—I could not say, I never saw the invoices till to-day. We have been charged regularly by all the City papers of Toronto for the reports of our half-yearly meetings.

By Mr. Bowell :—

Q. If you had a special excursion and that was noticed in a City item calling attention to the fact?—It would probably be paid for.

By Mr. McCarthy :—

Q. There is no reason why the *Mail* should have covered up the item for subscription to its stock in that way, is there?—I know of none.

By Mr. Guthrie :—

Q. Did I understand you to say that the Press Association were guests of the road?—Yes.

Q. I see a charge on the books for, I think, refreshments for them at Allandale?—Yes.

Q. Was that the extent of your hospitalities to them?—Speaking from memory I think we entertained them both on their way up and on their way down on the first occasion, and on the second occasion, of their going to Lake Superior, I think, on their way up.

Q. You mean at Allandale?—Yes.

Q. I suppose you gave them tea or supper, or whatever the meal was, at the time the train was passing?—We gave them a hospitable welcome, and you will find it difficult to get any person who was present to depreciate our hospitalities.

Q. I see a subscription, 20th June, 1872, paid T. W. Simpson's draft of 15th June on account of Barrie races \$250, contingencies?—Yes.

Q. I suppose this amount was paid by the Railway Company?—Yes.

Q. Did you give any money except for the prize lists or premiums, or whatever they call it?—This is what is called as subscription to the meeting.

Q. I may tell you that I have heard it rumoured, and I wish to ask whether it is correct, or not, that in addition to giving a subscription to the annual meetings the Company helped to lay the race course, or to improve it, at Barrie. Is that correct?—It is absolutely untrue.

By Mr. Bowell :—

Q. In giving that subscription I suppose it was in order to induce passenger traffic over the road?—We use our judgment in helping public occasions of that sort with a view to inducing traffic, we generally manage to come out with a considerable profit.

By Mr. McCarthy :—

Q. It is giving a sprat to catch a mackerel?—I am sorry to say the Barrie races are defunct.

By Mr. Palmer :—

Q. I suppose the expenditure is for a two-fold object: one is to get the good-will of the people who are to be customers, and another is to create traffic?—Yes.

Q. This Mr. Simpson is not the Mr. Simpson connected with the Big Park?—Mr. Simpson is a resident of Barrie.

By Mr. Bertram :—

Q. There is a debit here in the special ledger of \$3032.19 to John Turner; will you explain to the committee what that is for? It is charged April 30, 1876, and stands as a debit to him; there is no credit to the account?—I cannot say.

Q. There is another item of the same kind, N. Barnhardt. Would you be able to give us some information about these items to-morrow?—I think so.

By Mr. Casgrain :—

Q. Have these books of the Company been regularly audited yearly?—Every half year.

By Mr. Bowell:—

Q. How are the auditors appointed?—By the Company at the annual general meeting.

Q. Held in Toronto?—Held in Toronto.

Q. Are these audits sent home to the English bondholders?—No, the audits are the basis of our annual and half-yearly reports.

By Mr. Guthrie:—

Q. In the accounts you have given the committee regarding the Couchiching Hotel Company you make the amount which the Northern Railway Company had in that hotel, on 31st December, 1876, \$10,479.72?—\$10,479.42. Yes.

Q. And you appear to have a mortgage on the Company's property of \$10,000?—We have.

Q. The hotel has been burnt down?—Yes.

Q. Did the Company get any of the insurance?—I think not; those matters occurred during my absence in England and I have not had time to see into them since I returned.

Q. Have the Northern Extension Company any money in besides the amount that, you say, the Northern has?—The Extension Company assisted in the original construction of the hotel.

Q. To what extent did they assist?—I think at one time they had advanced some \$40,000.

Q. Has that been repaid?—No, there has been no repayment, it was a sort of joint enterprise.

Q. I suppose then as the Northern Extension is now amalgamated with the Northern, the Northern Company may be said to have advanced the \$40,000?—That would be quite erroneous.

Q. What is the position of the matter?—The position of the matter is that any advance the Extension Company made were their loss at the time of amalgamation with ourselves.

Q. You say the Northern Extension lost them; were they made from the Northern Railway Company?—Some of these charges were repaid in cash by the Extension to the Northern.

Q. For instance, in the Ledger you will see that the Northern Railway advanced \$16,191 up to 31st December, 1873, and charged it to the Extension Company?—That is right, we charged them with that; it was a debt; and they repaid us that amount in cash.

Q. The Northern Extension Company did?—Yes. The proceeds of the sale of the Northern Extension Debentures were, so far as the Extension was indebted to us at that time, applied to meet our dividend then falling due; so as to save exchange. We realized on the Extension Bonds in London, and applied so much of the proceeds as represented their debt to us direct, to the payment of dividends in London, thereby escaping exchange.

By Mr. Bertram:—

Q. What was the date of amalgamation?—3rd June, 1875.

By Mr. Guthrie:—

Q. Then this transaction took place before amalgamation?—We were repaid in December, 1873.

Q. The item was then simply a matter of book-keeping, as between the two Companies. You charged the Extension with this account in their account, I suppose?—It is more than a matter of book-keeping, I think.

Q. You say you did not get any money?—We did get the money. It did not signify whether we were paid in London or here. The Extension money happened to be in London as the proceeds of their first bonds, and we took so much of that money in London and appropriated it to our dividend payable there; thus saving exchange.

By Mr Palmer :—

Q. You took it to the extent of what they owed ?—All they owed us at that time we took. We knew we were safe because we had custody of their bonds and were assisting them by advances in anticipation of the sale.

By Mr. Guthrie :—

Q. When did your Company take the mortgage on the Hotel property ?—The mortgage, speaking from memory, was originally made to the Extension Company and was assigned over to us when we came to make advances.

Q. You made advances, however, all along ?—We made advances after amalgamation, which shows an amount now, as I told you, of \$10,470.

Q. But had not you made advances before which you had not charged to the Extension Company ?—No ; not as far as I know.

Q. Then the mortgage was made to the Extension Company ?—Yes.

Q. And assigned at the time of amalgamation ?—No, it was assigned with special reference to the advances to the Hotel.

Q. You made advances subsequent to the assignment of the mortgage ?—I think so ; we required an assignment of the mortgage to cover our advances as they were being made.

Q. Would the mortgage to the Extension Company be about \$20,000 ?—The mortgage to the Company was of this same amount of \$10,000 which was assigned to us.

Q. What security have you for your subsequent advances ?—We have a mortgage for all the advances the Northern Railway has made.

Q. Have you a mortgage for the advances made the Northern Extension Company ?—We have nothing to do with that, these advances were made by that Company before amalgamation.

Q. Yes, but I understand that that Company, for its advances, took a mortgage ?—For \$10,000.

Q. Only for \$10,000 ?—That is all.

Q. Why did not you get the insurance ?—I don't know, that settlement was made during my absence in England, and I have had no time to enquire since my return.

Q. Was it a first mortgage ?—Yes.

Q. You have not heard how it was ?—I have heard from conversation that the mortgage represents a great deal more than its face value, and it is a property which my Company certainly ought to hold and control, and I think it would be a great mistake to give up the property and have the mortgage cashed. We expect this very summer, as we are going to make it into an excursion ground, a very large excursion traffic. So, I would lament to see the property go out of our control and the mortgage cashed. If the bargain be that we are to retain the mortgage and control the property, I consider it a very excellent one.

By Mr. Bowell :—

Q. Could not you furnish all the papers connected with the Hotel by to-morrow ; we would want the amount of land purchased, how much it cost, by whom it was purchased, the list of stockholders, and whether they paid their stock ?—I apprehend that is by arrangement between the two Companies, and, as I have explained, is worth a great deal more to us to hold than to sell ; that is to say, we do not want it paid off, we prefer to hold it.

Q. That is all you know about it ?—Yes.

Q. Who has the right to claim the advances which the Northern Extension Company made to the Couchiching Hotel Company ?—No one.

By Mr. McCarthy :—

Q. Were they not turned over to you when you assumed their liabilities ?—I should say not ; that may be a legal question, but I should say not by intention of the parties.

By Mr. Guthrie :—

Q. Surely the Hotel Company had no right to benefit by your amalgamation, they would have to pay either your railway or the Extension Company the \$10,000 advances?—The Northern Extension Railway.

By Mr. Guthrie :—

Q. The balance sheet of the Extension Railway Company shows assets "Lake Couchiching Hotel Company \$45,235.01 on the 31st May, 1875?—That is the balance sheet of a Company which is defunct.

Q. Of course these assets would belong to your Company whatever they are worth; has that been settled for by the Hotel Company?—No.

Q. It seems to me that your Company as successors to the Northern Extension Company should have a claim of \$45,000 against the Couchiching Hotel Company, and of \$10,000 on your own account. Was none of the insurance money applied towards the reduction of this \$45,000?—No, as far as I understand.

Q. How much was the insurance policy?—I think I heard it was somewhere in the neighbourhood of \$12,000 or \$14,000 above the outstanding liabilities.

Q. And the stockholders got that?—I believe so; I believe the total insurance was very much more; I think it was \$36,000 for the whole property; the outbuildings were not burnt, and that went in reduction of the amount to be recovered.

Q. Do you know how much they recovered?—Somewhere about \$30,000; that leaves \$6,000 insured value for the outbuildings still existing. Then, as I understand, there were liabilities paid off; there was a mortgage to the Building Society and there were certain outstanding debts for furniture and other things; they were all paid off and then the balance was divided *pro rata* among the shareholders.

Q. Was this mortgage to the Building Society a prior mortgage to yours?—Yes.

Q. What amount was divided amongst the shareholders?—That I cannot say.

By Mr. McCarthy :—

Q. Do you know whether there was any bargain made between your Company and the Lake Couchiching Hotel Company about this?—None whatever; the view taken of it was that the Extension Company, which was to a large extent composed of persons as the Hotel Company found it to their interest to promote the construction of the Hotel.

Q. I don't mean about that; you say that you were second mortgagees and the balance was paid to the first mortgagees. Of course you ought to have had some of the money?—If you will allow me to answer your question. What I want to say is, that the view taken is that the property is of infinitely more value to our Company than the mortgage, and that we would prefer the mortgage not being paid off and that we should take the property and utilize it.

By Mr. Palmer :—

Q. But quite independent of your mortgage this Hotel Company owe \$46,000?—That is to be taken into consideration with the whole question of amalgamation. I may say that the Extension Company were promoters of the Hotel on their own interests and with a view to traffic; just as the Grand Trunk has built a hotel at Cacouna to promote traffic. The Extension Company did the same thing and they were in fact part proprietors of the Hotel. They amalgamated at a price infinitely below their expenditure. Some \$367,000 less than they expended we got their note for, and if they had not lost that we should have paid so much more.

Q. That does not touch the point; that might be a good reason why you would take over the Hotel with the Northern Extension, but if I understand it aright you do not take it over, although the same as in the road, keep their interest as the Hotel. Do they not?—They keep their interest in the Hotel.

Q. Then if they did so they kept it, subject to the debts of the Hotel?—Well, it was not regarded as a debt; it was an advance as subsidy.

Q. Do you mean that it was a present to the Company?—It was the intention of the Extension Company to promote the construction of that Hotel.

Q. If so, it would belong to them?—We have the property for \$370,000 less than it cost.

Q. But you have not got the Hotel?—No, but we shall get it.

Q. You left it in the hands of that Company. That appears to me to be as consistent as this: when there is anything to pay they don't pay it; and when there is anything to receive they put it into their pockets?—You do an absolute and gross injustice to a body of men who have done more for the development of the country than ever you did. It irritates me to hear a body of men depreciated who have been engaged for years in a work of the most important public character. It is of the very pith and marrow of the Northern Railway; it is the reason why we have been able to pay the Government money; it has opened up 400,000 square miles north of Toronto, and the motives, honour and honesty of every man who has been engaged in the work, are impugned.

By Mr. McCarthy:—

Q. It is the Manager of the Company who would have control of their stock list and could tell us the amount of it, and who have paid up?—We can get that for you.

By Mr. Guthrie:—

Q. At the time of amalgamation, did anything take place with regard to the \$45,000 advanced by the Extension Company to this Lake Couchiching Hotel Company?—Nothing. You must remember that the Legislature absolutely interfered to prevent the Northern Company from paying these persons any more than a specific amount; absolutely interfered with private rights and said you shall not sell out for more than \$20,000 a mile.

By Mr. Palmer:—

Q. I see by the account of 1874 that the vouchers which you thought were Mr. Morrison's subscription are included in the regular *Mail* account; you must therefore be in error with regard to it?—I said I had no personal knowledge of the subscription because I said the amounts were paid while I was in England.

Q. Looking at the gross amount which you have given us as the statement of the *Mail* account with these two vouchers which you said you supposed were connected with Mr. Morrison's subscription included, I find it is \$1712 in 1874?—Yes.

Q. Is this of the same description of accounts as the *Globe* would have of the same year. You see the *Globe* account the same year is \$29,000?—I suppose so, but I could not say without examination.

By Mr. Guthrie:—

Q. Do you mean to say then that your information that these two vouchers do not represent actual work, is incorrect?—I cannot say whether my information is correct or incorrect, as I have no personal knowledge.

FRIDAY, April 6, 1877.

The Committee met.—MR. ARCHIBALD in the Chair.

Mr. F. W. CUMBERLAND recalled:

By Mr. Bertram:—

Q. Have you the explanation of the two amounts in the special Ledger of Messrs. Turner and Barnhard?—Those two entries to which you referred yesterday to bills payable were notes given to those gentlemen under the authority of the Act of 1875 for the stock that they held in the Extension. We could not give cash, so we gave notes. The Act of Amalgamation enabled us to take in the stock of the Extension, making them an allowance for interest and premium, and it was on the adjustment of that stock with each of the stockholders that the notes were given.

Q. You say the Act did not allow you to pay them in cash?—No, but it was convenient to us to pay them by note rather than in cash.

Q. What stock did they hold in the Extension?—The amount of their stock under the Act to which I refer with ten per cent interest and twelve and a half per cent premium, brought it to the amount of those notes.

Q. How long did that interest run?—From the date of the payment of their stock.

Q. Did you treat the other stockholders in the same way?—All.

Q. Did they get notes in the same way as these parties?—All of them.

Q. How does it happen that those two special notes are singled out for being charged back on the Ledger to those parties as a debt?—I presume the account will be balanced by their getting credit when the notes are paid and the stock extinguished. There was a certain amount of paid up stock in cash to the credit of each of the stockholders. Under the terms of amalgamation and the limitation set out in the Act of 1875, which gave us power to issue new preference stock, they were to receive payment in regard to the stock actually paid up, with interest at the rate of ten per cent. per annum and a premium of twelve and a half per cent., for such amount, an exchange of preference stock if that stock was issued within six months. If not issued within six months, it was to be due in cash and the stock was to be extinguished. These notes represent notes given to these two gentlemen on this account.

Q. I understand about the notes being given. I can easily understand that they will be in the position of creditors to the Company; but you see the entry on the book is an entirely different thing. They stand there as debtors to the Extension Company. The entry shows that they owe you over \$3,000?—They have got our notes for it and the notes are still running. Our object in giving the notes was to bridge over the interval till we got new capital. When the notes are redeemed they will be credited to their stock and the account will be balanced.

Q. Were the other stockholders treated in the same way?—All of them.

Q. There is nothing in the books to show that. The notes are not charged to them the same as to the other parties. How was the settlement come to differently?—I am not sufficiently familiar with the books to say, but I will ascertain. The accountant just now informs me that the absence of the other names is because the books have not been written up. Notes have been given to all the other stockholders in the same way, but the book has not been written up.

By Mr. Guthrie:—

Q. With regard to the Couchiching Hotel, do you know the amount of insurance money?—I have telegraphed for a return, but I have not received an answer.

Q. Then you cannot speak further as to that to-day?—I am able to speak with reference to the question you put to me yesterday about the contract in the name of Mr. Moberley. I have looked into it.

Q. That is about the fuel contract; what was it?—It arose out of a contract made with a person of the name of Arkle who failed. The Company then took over so much of the fuel as he had then got out and his liabilities to the parties from whom it had been purchased, and then Mr. Moberley as a Company's officer, continued the service to the next year.

Q. Did Mr. Moberley make any profit out of it?—Nothing whatever.

Q. Nor anybody else?—Nor anybody else. The difficulty yesterday arose out of the peculiar nomenclature of the account. I have Arkle's contract and his letter asking to be relieved of his contract, and my letter taking it over.

By Mr. Guthrie:—

Q. Have you got the return on the memorandum we spoke of yesterday with regard to the payments made to the *Mail* of the \$2000 of stock. The question arose as to whether the vouchers represented stock or not, and I asked that we should see when and how the payments to stock were made?

(Return of the *Mail* stock account produced and marked Exhibit AA.)

Q. This return shows \$500 paid on Mr. Morrison's account?—Yes.

Q. You spoke of a thousand the other day?—Yes. I must have been in error, the books show \$500.

Q. \$1000 of your own and \$500 of Mr. Morrison's?—Yes.

Q. What amount did Mr. Morrison subscribe, was it only \$500 or was it \$1000?—I was under the impression it was a thousand, but it seems that \$500 only has been paid on it, unless those vouchers represent the balance.

Q. Under what accounts do you find these payments entered; charged to contingencies; or what?—I could not say. I suppose the *Mail* stock account.

Q. Is there such an account in the books?—I will ascertain. (After referring to the books)—There is no such account, either in Cash Book or Ledger, the charge has been made to contingencies or some such account.

Q. Have you examined the Ledger and Cash Book yourself, or is this the work of the book-keeper?—It is the work of the book-keeper. He tells me he has made a thorough examination of the books and there is nothing more.

Q. How did you get the impression that \$1000 had been paid for Mr. Morrison?—I was under the impression that the subscription was a thousand, and as in the other case it had been fully paid, I assumed that Mr. Morrison's had also.

By Mr. McCarthy:—

Q. Then if Mr. Morrison's subscription to the *Mail* was \$1,000, you are quite satisfied that you have only paid one half of that?—I am quite satisfied that this return shows all the payments that have been made on that account, so far as I know.

Q. Have you any recollection of being called upon to pay anything more by Mr. Morrison on the *Mail*?—I have not.

Q. You have never refused to pay any more?—Never.

Q. The *Mail* stock has all been called up, has it not?—I believe so.

Q. You have paid yours in full?—Yes.

Q. Then I think you must have been mistaken in saying that there was an understanding or agreement that you were to pay Mr. Morrison's subscription. Now it appears that he subscribed \$1000 and that he or some person else has paid the other \$500, or it remains unpaid?—In such case, if there was no such understanding, Mr. Morrison will return the \$500 that has been paid.

Q. If you were to have paid the \$1,000 do you think it is likely that Mr. Morrison would have paid the \$500 himself and not have called upon you to do so?—I cannot speak as to probabilities.

Q. I want to see whether the probabilities of the case would bear out your recollection?—I adhere to my original impression.

Q. That you agreed to pay the amount of Mr. Morrison's subscription?—Yes.

Q. And if he has paid the other \$500 you owe that \$500?—Certainly not.

By Mr. Guthrie:—

Q. Who, did you say, gave you the information that you spoke of yesterday that this \$520 paid to the *Mail* was on account of stock?—That was an impression upon my mind. I thought that the amount of the two payments was \$500 and balanced the \$1,000.

By Mr. Casgrain:—

Q. Would that amount complete the subscription of Mr. Morrison?—Yes; but it would be too much.

Q. It would be \$20 too much, and that might be for some advertisements?—I could not understand that. If it had been the exact sum of \$500 I should have supposed that it represented that.

By Mr. Guthrie:—

Q. The payments of *Mail* stock were charged to contingencies and to legal and Parliamentary expenses?—Yes.

By Mr. Bowell:—

D. Do you say that your recollection was that you should pay this stock subscribed by Mr. Morrison, and then do you say that you paid \$500 and you are not responsible for the balance? How do I understand that?—You can understand me in this way: that recent experience would tell us that we should not pay that balance if it has not been paid.

By Mr. Guthrie:—

Q. I find sums that appear to be large charged for your travelling expenses in England from time to time, and I think it well that you should state to the Committee anything you may have to say regarding them. I find in Ledger 4, that on one occa-

sion there was \$4,634 charged as travelling expenses in England. On another occasion (Journal 7, page 59) \$3,571.60; on another occasion, in October 1870, \$5,000. Now, I need not say that these appear to be large. It is for you to give your evidence regarding them?—I have made very frequent visits to England always at the expense of my Company, and on their business, and have always charged the expense incident to those visits to the Company as the expenditures were made. It is a question of opinion altogether as to the amount. The expenditure in London or in England involved travelling expenses in England and other disbursements in my capacity as General Manager with reference to the business I had in hand, either with reference to the placing of securities, to the drafting and preparation of bills, legal services and other disbursements connected with the particular duty I had in hand at the time. All I can say is that these expenses were incurred—properly incurred—and charged. In some cases, of course, the expenses are governed also by the length of time that was involved in the visit, sometimes it being longer than at others.

Q. What lengths of time have you been absent?—Three months, sometimes less than three months, sometimes more.

Q. What would be the longest time and the shortest? Were there great differences in the length of time?—The shortest I ever made was the first, a good many years ago. I was only in England ten days. The longest was approaching five months.

Q. You say that legal expenses in London were included in these amounts charged for travelling expenses. Did you keep any separate account of the legal expenses thus paid?—I have got memoranda of the payments, I have no doubt, that I made. You will observe that all my disbursements during my absence, from the time I left, to my return, have been charged to my travelling. I did not attempt to classify my disbursements.

Q. Could you give the Committee a statement as to how much you had paid for legal expenses there?—I do not think I could.

By Mr. Bowell :—

Q. Legal expenses are very high there, are they not? If you go to a lawyer there, is not the charge very much higher than in this country?—Very much.

By Mr. Bertram :—

Q. There were some other items that I noticed charged under this head of travelling expenses that do not properly belong to it. For instance, I saw in one of them a testimonial to Dr. Beattie of \$600. That may help to swell the amount?—That arose out of my being requested by the Board to take the opportunity to purchase the presentation to Dr. Beattie, now of Philadelphia, ex-Secretary of our Company.

Q. That was not part of travelling expenses; that may account for the amount being large?—That was the way on which it arose.

Q. There may have been other items of that kind?—No, not of that kind.

Q. It is charged to you as travelling expenses?—It shows if there was anything of that character and I made a purchase for the Company it would certainly appear.

By Mr. Guthrie :—

Q. Who was the contractor for the erection of the new elevators?—Mr. Reekie.

Q. Was he a director?—He was a director before the erection of those elevators, but previous to taking the contract he retired.

Q. How was he paid, in money or in bonds?—Both.

Q. How much in money?—I think two-thirds in cash and one third in bonds, if I remember rightly.

Q. At what rate did he take the bonds?—At 60.

By Mr. Guthrie :—

Q. The books, I suppose, correctly show what was paid to him in money and bonds?—Yes.

By Mr. Palmer :—

Were these the bonds issued under the Act of 1853?—Yes.

By Mr. Bertram :—
 Q. Three A bonds?—3d bonds.

By Mr. Guthrie :—
 Q. Had you personally any interest in this contract?—No.

Q. Directly or indirectly?—None.

Q. By whom was the contract with him made; by the Board or yourself?—By the Board.

Q. Was he a member of the Board at the time, or had he retired?—He had retired.

Q. Was the contract let by tender?—It was not. An effort was made to place these bonds in England for cash, but unsuccessfully, and on the suggestion of the London Board the contract was made with Mr. Reekie, as being the only person who would take payment in bonds.

By Mr. Palmer :—

Q. What are these bonds worth now?—There is no market for them.

Q. I think they were on the Stock Exchange?—No, they were never quoted; they range from '72 to '75 I suppose, but there is no market.

By Mr. Howell :—

Q. Has the interest been paid on them?—Yes, but the amount was so small that you cannot make a market for them; they have never been quoted.

Q. Probably Mr. Reekie keeps them himself?—I don't think so; I think he sold them amongst his friends.

By Mr. Guthrie :—

Q. Had you any connection with Mr. Reekie in connection with the elevators?—No.

Q. Directly or indirectly?—I do not know what you call indirectly.

Q. Through another?—Certainly not.

Q. You had no interest whatever as I understand you to say? I am asking because I had some information that you were interested in his contract?—It is wrong.

Q. Nor the proceeds in any way?—No.

Q. I mean the bonds he got, and the money he got?—No.

Q. I notice some bonds that you or your son drew interest upon. Did you hold any yourself?—Yes, I held some bonds.

Q. I notice on one occasion your son drew interest, \$131. They were first preference bonds?—Yes, I own first preference bonds. My Company gave me, I think it was, in 1859-60, £2,500 sterling of the first preference bonds.

Q. I may tell you at once that the rumour I heard regarding Mr. Reekie and yourself was that you got some commission out of it. It may be for negotiating bonds or something else?—It is quite untrue.

Q. I think it only fair to you that I should ask you?—Yes. Mr. Reekie in discussing the question whether he would take contract or not, of course, had doubts as to the value of those bonds and he appealed to me if he took the contract to assist him in floating them, and I did so to a small amount, and I think he paid me upon some £5,000 or £6,000 that were taken at my suggestion one and a half, or something of that sort.

Q. That was for negotiating the bonds?—For getting him customers. I do not know how much he took of them, but amongst our friends in England who are now the holders of the bonds these were placed.

Q. That would not be much of a commission?—Not at all.

Q. That was the utmost extent?—Yes.

Q. I suppose that has given rise to the rumour?—Probably. There may have been a rumour, because I sold some of my firsts having faith in the thirds, and having regard to the interest being six per cent, and the price something like 65. I sold firsts at 96-97 and bought thirds cheaper, at 64-65.

Q. Did you buy Mr. Reekie's?—No.

Q. But that had nothing to do with Mr. Reekie?—No, except that they were issued through him and his contract.

Q. Although you bought bonds issued under his contract, you did not buy them from him?—No, I did it for an increase of income; I was getting six per cent on the firsts, but I sold the firsts and bought the thirds and, of course, very largely increased the income from the investment.

Q. You bought thirds at about the ordinary market price, which was about 65 or 66, but you did not buy them from Mr. Reekie?—No.

By Mr. Bertram:—

Q. Part of your stipend is commission on these bonds; £100 for every one per cent of interest paid by your road. Do you get that on the firsts?—No, not on the firsts; on the seconds and thirds.

Q. You get £100 for every one per cent the road pay on these bounds?—Yes.

By Mr. Guthrie:—

Q. With regard to this small commission you got on the £5,000 or £6,000 of bonds, was it paid to yourself by Reekie direct?—Yes, I think so.

Q. The other day in speaking about letters of advice regarding the drafts of Mr. Robinson, Sir John Macdonald and Mr. Morrison, we asked you if you had any such letters. You may have understood that to mean letters on file with the Railway Companies' papers. I now wish to ask you whether you had any letters that were private, marked private, and which you did not file with the Railway Company and therefore may have at home or where you keep your private letters. Did your answer apply to such letters?—My answer applied to railway letters.

Q. Yes, but we are entitled, I think it was considered so on a former Committee, to force the production of private letters proper to the enquiry. I wish to ask if you have any private letters?—You can make an order if you like.

Q. I ask you first the question, if there are such?—The question is, whether you have a right to examine my private letters.

Q. Not your private letters generally; but letters regarding questions concerning which you have given evidence?—I do not think you have any right to my private letters.

Q. I understand from that answer that you have letters. Have you private letters touching these drafts?—I have none.

By Mr. Casgrain:—

Q. Is there any communication between you and Mr. Morrison, or any written document concerning the subscription to the *Mail*?—I think none but what you have seen.

By Mr. Guthrie:—

Q. You spoke of your salary being £800 at first. Could you tell us when it was increased; because I notice by the books an increase?—I could not from memory. It is settled now by sealed agreement.

Q. How much is it now?—I could not tell you without reference, because it has been increased by the ratio of the new mileage.

By Mr. McCarthy:—

Q. I think you have explained that before?—Yes.

By Mr. Guthrie:—

Q. Could you tell by reference to the Ledger what your emoluments were in 1874, for instance?—I could; I will do so.

By Mr. McCarthy:—

Q. Did you ever purchase, or did the Company purchase from Mr. Gordon Brown a patent right of any kind, to your knowledge?—No.

Q. Had you any dealing with him about a patent right?—I had interviews with him.

Q. You had interviews with reference to one?—With reference to one.

Q. And what was the result of the interview?—The result of it was that we looked into the matter and it was referred to our chief engineer to report on.

Q. And what became of the matter?—The chief engineer reported upon it and we bought the right to use it.

Q. Who did you purchase the royalty from?—From a person named Oakley.

Q. What was the patent for?—It was a nut lock.

Q. How much did you pay for it?—We paid \$1,000 for it.

Q. Under what head in the account will we find that; construction?—I quite forget how it was charged.

Q. Can you give us the date of that?—It was some years ago.

Q. You cannot tell us nearer than that?—I cannot say what date.

Q. Your negotiations for the purchase of this were with Mr. Gordon Brown; though it was Oakley's patent?—The matter was the subject of conversation with Mr. Gordon Brown and others.

Q. What had Mr. Brown to do with it? Was he one of your Directors?—No.

Q. How do you mean that it was the subject of conversation; was he negotiating for Oakley?—I think it was a Company.

Q. You think it was a Company; was he one of the Company?—I do not know.

Q. Was he interested in the disposal of it?—I have no knowledge.

Q. You know whether he was endeavouring to sell it to you?—Our conversations were with reference to the patent.

Q. In which he was endeavouring to act as a party interested for the seller?—He was giving me his views and discussing the value of the invention.

Q. You say he had conversations in which he was puffing the merits. Was he puffing the merits?—I said he was one of the Company interested in this patent.

Q. And he was endeavouring to get your Company to buy it from him?—Their object was to get our Company to adopt this patent.

Q. Who were the other members of the Company?—The patent was first introduced to me by Mr. Donald Ridout, patent agent, of Toronto.

Q. Then you acquired the right to use it in connection with your Company for this \$1,000?—Yes.

Q. Was this all you had to pay?—That was all.

Q. Is it any use; did you find it of service?—We have not used it lately.

Q. Did you ever use it?—Yes, we tried it.

Q. Did it not answer expectations?—I do not think it did.

Q. You cannot tell me the date any nearer than you have?—I could not from memory; I think it must be four or five years ago.

Q. Could you find the item?—I think so.

By Mr. Casgrain:—

Q. Do you know any other person or company besides your Company that bought the royalty for the patent?—I understood that other companies either bought it or intended to buy it.

Q. You bought it in the ordinary course of business; you thought it was a good thing?—It was reported upon by the Chief Engineer and we received his report and purchased the Royalty.

By Mr. Palmer:—

Q. It turned out, as I understand you, of no practical value?—I don't think the engineers ultimately liked it. At any rate it has not been used.

Q. And therefore it has not been of any practical value?—No, it has not.

Q. I understand you to say that your subscription to the *Mail* and this both turned out to be bad speculations.

(Question objected to by Mr. Casgrain, and it was ruled out of order by the Chairman as not being in the form of a question.)

Q. Which in your judgment was the better speculation, the purchase of the patent right or the stock in the *Mail*?

(Mr. Casgrain objected to the question as being irrelevant.

The Chairman saw no objection to the question.)

A. I could not say.

By Mr. Guthrie:—

Q. I ask you, if you in purchasing this patent right, purchased in good faith, *bona fide*, and believed that it would be of use to your railway?—I thought it would be useful; and I bought it in good faith.

Q. Have you purchased patent rights in other cases for improvements connected with railways?—Yes.

Q. On more than one occasion besides this?—I do not remember more than one. We, not long ago, bought the right to apply a ventilating system to our cars. That is to pay the royalty for applying it; we did not buy the patent right.

Q. Supposing this patent had answered the purpose for which it was expected, would the price have been exorbitant or unreasonable?—If the appliance had filled the purpose for which it was intended it would not have been at all extravagant.

Q. Are you aware, from your experience as a railway manager, that railway companies frequently or not purchase patent rights which do not turn out to be valuable?—I can only give a general answer; railway companies make mistakes as well as anybody else.

Q. You say that Mr. Gordon Brown and others spoke to you about it, and Mr. Ridout first brought it before your notice. Mr. Ridout is a patent agent?—Yes.

By Mr. Bertram:—

Q. Is this the same Mr. Ridout who has a hardware store on King street?—No, it is Mr. Ridout the patent agent.

Mr. McCarthy.—Now of Ridout, Aird & Co? Yes.

By Mr. Bertram:—

Q. Can you charge your memory with having purchased a patent right in 1871 or 1872. I noticed a purchase in the Ledger, but cannot find it at the moment?—Probably this is the very purchase.

By Mr. Palmer:—

Q. You have told Mr. Guthrie that this purchase was *bona fide*; was it any more *bona fide* than the subscription to the *Mail*? Was that also *bona fide*?—One subscription was as *bona fide* as the other.

By Mr. Guthrie:—

Q. You told us with regard to the subscription to the *Mail* that your object was that you might get free entry to the columns of the paper. Had you any object of that sort in purchasing the patent right in which Mr. Gordon Brown had some interest? That is, did you expect to get free entry to the column of the *Globe*?—I was glad of an opportunity of serving Mr. Brown.

Q. Was that your object in making the purchase?—It considerably influenced me.

Q. Was anything said to Mr. Brown about that?—Nothing.

Q. Nothing was said on the subject?—Nothing.

Q. Did it produce any effect on the *Globe*? You said the other day that the fact that the *Globe* got your printing had been very unfruitful in helping the road?—We said just now that Railway Companies made their mistakes.

Q. I ask you if the purchase affected the position that the *Globe* had before that occupied towards the Company?—I do not know how much worse the *Globe* might have been if it had not been for that patent.

Q. I ask you if it did affect it?—I think you must appeal to the parties themselves, I cannot say.

Q. Did it become more friendly to you or did it remain the same?—It has been hostile to us for many years.

Q. And it has remained hostile?—Yes.

By Mr. Bowell:—

Q. Has not the *Globe* newspaper been more friendly to the Northern Road within the last three or four years, than formerly?—No.

Q. When I say formerly, I mean in 1873 when it issued the article against your legislation in this House?—I do not think it has been more friendly.

Q. When you speak of the company with which Mr. Gordon Brown was connected, do you mean a regularly organized and incorporated company for the manufacture of these nuts?—I don't know whether the company was incorporated; I understood it was a company.

Q. Would it not be just parties combined together for the purpose of selling this

patent?—Yes. I do not know whether they were properly organized as a Joint Stock Company or not.

Q. Did you not look upon Mr. Gordon Brown as the parson who was selling this on behalf of the patentee?—Yes.

Q. And being a man in an influential position would he not be more likely to accomplish a sale to you or your Company than Mr. Oakley, who was a stranger?—Yes.

Q. Then you would be more likely to purchase from Mr. Gordon Brown, from the position he held, this patent, than you would from Oakley a complete stranger to you?—Yes.

Q. Who was Oakley? Do you know?—I never saw him.

Q. Did you expect to influence the course of the *Globe* newspaper by purchasing this patent right from Mr. Gordon Brown?—I did not.

By Mr. Palmer:—

Q. Had you no hopes that the *Globe* might be a little softened by it?—I was not without hope.

By Mr. Guthrie:—

Q. It seems to me that the two last answers are opposed to one another?—It is excessively difficult. If you asked me to say directly, if I thought I would influence the course of the *Globe* I could not help saying I did not. But, if you ask the last question, my only true and honest answer is that I was not without hope that friendly relations would be established which would be to the benefit of my Company. I mean friendly relations, not a direct influence.

By Mr. McCarthy:—

Q. I have heard it rumoured that a large sum of money was paid by the Company to Mr. Chisholm?—What Mr. Chisholm?

Q. Mr. Chisholm of Peel, Brampton. I have looked through the Company's books and cannot find any trace of it, and would like to know whether it is so or not?—The only occasion on which payment was made to Mr. Chisholm was \$1,000 which we were invited by parties in Toronto to send to him, with which to make battle against the Peel by-law for the bonus for the Hamilton and North Western Railway.

Q. What was that? How does it appear in the books?—I could not speak from memory. Mr. Chisholm's name does not appear in connection with that account.

Q. You say, at all events, it was money furnished Mr. Chisholm at the suggestion of some Toronto friends to be used in opposing a by-law?—Yes.

Q. Who was Mr. Chisholm? Was he an agent of the Company?—I understood that he was very active in his opposition to the Hamilton and North Western Railway, and it was suggested that he was the proper person to dispense this money—he and his friends.

Q. Has Mr. Chisholm furnished any account of how that money was expended?—No, not to me.

Q. Or to the company?—No.

By Mr. Bowell:—

Q. What is Mr. Chisholm?—He is a member for the Local House.

By Mr. Guthrie:—

Q. Was not this Peel by-law for the Hamilton and North Western Railway defeated?—On this occasion it was carried.

Q. Did you pay the money to Mr. Chisholm direct?—No.

Q. To whom did you pay the money?—I believe it will appear that we paid it to Mr. Thompson.

By Mr. Bowell:—

Q. The President?—Yes, our present President.

By Mr. Guthrie:—

Q. Was he President at that time?—No, it was before he took office.

By Mr. Bowell:—

Q. Was he on the Board?—No, he was not on the Board. I think he was an Alderman of the City at that time.

By Mr. Guthrie:—

Q. Did Mr. Thompson inform you, or how did you know that Mr. Chisholm got it?—I know Mr. Thompson came to me and we discussed the matter and the effect of the Peel by-law, and came to the conclusion that an appeal which I understood to be made for assistance from Toronto, should be met.

By Mr. Bowell:—

Q. Then Mr. Chisholm had applied for money?—I understood that he had told certain of his friends in Toronto that with some pecuniary assistance, the by-law would be defeated.

By Mr. Guthrie:—

Q. This Hamilton and North-Western Railway threatened and threatens still to be rather a formidable rival to the Northern?—Yes.

Q. Then this was a contribution to some citizens of Toronto, who were gathering money to be used on behalf of the City, was it?—Circumstances were stated to me just as I have stated them to you.

Q. Mr. Chisholm had no connection with you directly, or your road?—None.

Q. And it would not be to you that he would report, you having given the money to Mr. Thompson?—We either gave the money on a note, I am not sure which. There was a note on 14th October, 1873 for \$765.83 at three months and charged South Simcoe Junction Railway. We were running this Railway against the Hamilton and North Western.

Q. This was a note payable to the order of Mr. Thompson which Mr. Thompson endorsed?—Yes. Here is another \$1,023 and 78 cents.

Q. That is also to Mr. Thompson?—Yes.

By Mr. Bowell:—

Q. In 1873?—1873. The first note was endorsed—I don't think it affects it—it was held by Mr. Thompson but was not discounted.

By Mr. Guthrie:—

Q. I remember some days ago that you told us about certain monies in the aggregate amounting to thousands of dollars that had been spent on the South Simcoe Junction Road and in opposing other roads. Would not this thousand dollars be included in what you told us on that occasion?—Yes.

By Mr. Bowell:—

Q. Do you remember the person who accompanied Mr. Thompson on that occasion when it was represented to you that money was required to give to Mr. Chisholm in aid of the defeat of that by-law?—I do.

Q. Who was it?—Mr. George Laidlaw.

By Mr. Guthrie:—

Q. The thousand dollars you spoke of to-day is included in the return for expenditure on account of the South Simcoe Junction Railway?—Yes.

SATURDAY, April 7, 1877.

Committee met—MR. ARCHIBALD in the chair.

Mr. F. W. CUMBERLAND recalled.

By Mr. Guthrie:—

Q. Have you got particulars to enable you to give evidence about the Couchiching Hotel matter?—Yes. (Exhibit A.B.)

Q. This is the list of shareholders?—Yes.

Q. Were these original shareholders?—Yes.

Q. Can you state how much insurance money was divided?—I have got a statement here from the Secretary of that Company; the total amount received on insurance was \$31,721.63.

Q. What became of that?—A large amount of outstanding accounts were paid amounting to \$19,704.13, and the balance of \$12,017.50 was divided *pro rata* upon the stock, giving the rate of 63½ per cent.

Q. Will you explain how it was that the Railway Company advanced so much money for this hotel?—The construction of a hotel at that point was regarded by all parties connected with both railways, as a matter of importance, and of traffic value to the lines, and it was upon that ground that both companies have assisted.

Q. Had you any arrangement as to the extent of the assistance to be given by the Railway Company to the stockholders of the Hotel Company?—No.

Q. Had you any arrangement by which the Railway Company guaranteed interest upon the stock?—No; at the original outset of the scheme it was proposed that the Railway Company should guarantee interest upon the stock.

Q. Which railway?—The Northern guaranteed interest upon the amount of stock, and it was understood at the time the stock for the hotel was subscribed, but it was found afterwards—we were advised—that a guarantee could not be given.

Q. That it would not be legal?—That it would not be legal.

Q. What did the hotel and grounds cost, do you know?—I could not say, but I think the total expenditure upon the whole undertaking, including furniture and everything there, was in the neighbourhood of \$70,000 or \$75,000.

Q. And of that, there was \$19,000 paid up stock?—Yes.

Q. There was \$19,500 subscribed, of which \$19,000 was paid up?—Yes.

By Mr. McCarthy:—

Q. How many thousand dollars were paid to the creditors of the Company?—\$19,704.

Q. There was no payment made to the Northern or Northern Extension?—The Extension Company, of course, was defunct; the Northern was a holder of the mortgage.

Q. You say there was \$45,000 indebtedness, practically to the Northern Railway Company. They did not get a dividend?—No, that amount was not regarded as an asset of the Company.

Q. In point of fact, somehow or other, that seems to have been wiped off as a liability of the Couchiching Hotel Company?—Practically, but if the asset had been a good one, it would have reverted to the Extension shareholders.

Q. Do you mean by agreement?—By the terms of amalgamation. Yes, by agreement; if they had recovered that asset, it would be the property of the Extension Railway proprietors.

Q. What is the value of the property the Company hold the mortgage on? What did it cost, in other words?—I think the property, as it stands now, with the buildings upon it, are certainly worth the mortgage exclusive of the land.

By Mr. Bertram:—

Q. \$10,000?—Yes.

By Mr. McCarthy:—

Q. Do you know what the land originally cost?—I do not? It was purchased from Mr. J. Ham Perry, of Whitby; speaking from memory, I am under the impression that the purchase from Mr. Perry was somewhat about \$3,000 or \$4,000.

By Mr. Bowell:—

Q. How much land?—I think about 128 acres.

Q. Who purchased this land?—Mr. J. D. Edgar and myself.

Q. Paid for out of stock that was subscribed and paid?—It was afterwards transferred to the Company at a thousand dollars advance, on the price paid Mr. Perry, taken in stock.

Q. Was the thousand dollars of yours paid up in cash?—Yes.

Q. Was Mr. Edgar's?—He paid, I think, a thousand dollars in cash, and received a thousand dollars in stock, on the purchase.

Q. Then \$1000 was realized on the sale and Mr. Edgar got it?—Mr. Edgar got a thousand dollars paid up stock on the transfer of the land to the Company.

By Mr. Bowell:—

Q. Do I understand you to say that Mr. Edgar paid a thousand dollars in cash—Yes.

By Mr. McCarthy:—

- Q. Was this property purchased before the Company was organized?—Yes.
 Q. By you and Mr. Edgar?—Yes.
 Q. Jointly?—Yes, jointly.
 Q. Had the purchase money been paid to Mr. Perry before the Company was organized?—I think the property was mortgaged, and the money paid to Mr. Perry.
 Q. Then you had mortgaged the property to pay Mr. Perry?—Yes.
 Q. So that you did not pay anything out of your own pockets?—Yes, there was something.
 Q. Some small sum?—Yes, some money was paid, and that a considerable proportion of the purchase.
 Q. When was this Company organized?—I could not tell you.
 Q. It was by letters patent?—Yes.

By Mr. Bertram:—

- Q. The stock is all paid up except \$500 of John Beverly Robinson?—So it appears.

By Mr. Guthrie:—

- Q. Did you get nothing in scrip, or in any other way for that share?—Nothing.
 Q. Had you any understanding with Mr. Edgar that you were to be interested in this stock?—The original arrangement for the transfer of the land to the Company was that the Company was to take it an advance of \$2,000 upon the price paid to Mr. Perry; that two thousand dollars to be in paid-up stock, but I relinquished my thousand dollars at the time.
 Q. That explains it?—That explains it.
 Q. Was there any writing by which you relinquished it, or was it a verbal instruction?—It was verbally done; I gave up the stock. When it was about to be issued to me I relinquished it.
 Q. Had the hotel been built at the time you relinquished your thousand dollars?—I cannot say.
 Q. Was the deed in your name or Mr. Edgar's, or in the name of both from Mr. Perry?—I could not say, but I think it was in his.

By Mr. McCarthy:—

- Q. The present position of the stockholders is that they have 63 per cent?—Yes.
 Q. And have they an equity redemption in the property, that is, they own half the property subject to the \$10,000 mortgage?—I suppose so. These arrangements were made while I was in England. I understood the Northern was to take the property under the mortgage.
 Q. But it has not been conveyed to the Northern?—It has not been completed.
 Q. From what you say the property is worth \$20,000?—I should think, if it could be made available by the reconstruction of the hotel, it is worth fully that to us. I may add that the figures I gave you are from returns of the Secretary of the Company and not my own.
 Q. What was your occupation before you became manager of the road?—I was in private practice as an engineer and also practised architecture.
 Q. I would not like to be impertinent, but perhaps it might have some bearing on this if I asked what was your income and your business, (you are not bound to answer unless you think proper) prior to your taking charge of the road?—I could not speak from memory, but I should think my professional income for four years, prior to the time I joined the Northern—it fluctuated very much—I could not say the average. At any rate, I know that in one year it went as high as \$16,000.
 Q. It would not average that would it?—No, I would not average that. That was my best year. I should say that it would average somewhere in the neighborhood of \$8,000 to \$12,000 per annum.

By Mr. Guthrie:—

- Q. There is one thing I wished to ask. You spoke yesterday of a thousand dollars that you understood had been paid to Mr. Chisholm of Brampton?—Yes.

Q. Very considerable sums you tell us have been used for similar purposes?—

Yes.

Q. Could you furnish us with a memorandum of the amounts you expended in bonus-hunting and opposing rival lines?—I could give you a return of the expenditure, but I think it would be impossible to give you particulars of each disbursement. In this particular case it is clear, because Mr. Chisholm was kind enough to undertake services, which we thought were very much in our interests and in the interests of the Credit Valley.

Q. Yes, but I would like to know who the parties are that got money for similar purposes, and the amount and dates?—I do not think the disbursements in bonus matters were done in that way, that is to say, the sums of money were not paid to individuals for special disbursements in the same manner that it happened to be in the Peel case. We were not in Peel; we sent no deputations there, it was off our ground altogether, and it was because of that that local friends undertook it.

Q. For instance, you expended about \$8,000 in the South Simcoe Junction?—Yes, but that was not in bonus-hunting, or in bonus money, at least only some of it was. That included all the expenses of surveys, legal expenses, expense of getting statute, expenses of deputations and meetings in the county.

Q. How much of that was expended in bonus-hunting?—I should think about \$3,000 or \$4,000.

Q. And included with the amount are the thousand dollars that Mr. Thompson and Mr. Laidlaw got which it is said they gave to Mr. Chisholm?—Yes, that was sent to Peel through Mr. Thompson and Mr. Laidlaw.

Q. Could your book-keeper make out a memorandum from the books such as suggested, and showing how much was expended in efforts to procure bonuses and to defeat rival schemes, and showing who got the money?—I will see if it is possible, but I doubt it very much.

Q. On the amalgamation of the Northern and Northern Extension Railways, I find that certain monies were paid you, and to some others certain monies were divided. I find on May 31, 1875, an entry of this character, "Direction and Management to Sundries," for amount voted by the Board of Directors per minutes of meeting held 1st June, 1875. To F. W. Cumberland, Consulting Manager, \$10,000; to Owen Jones, Chief Engineer, \$1,200; to Jno. Turner, Chairman, "Ex. Committee," \$1,000; to J. D. Edgar, Parliamentary Counsel, \$3,000; to John E. Foreman, Secretary, \$400; to Frank Smith, Personal Expenses, \$1,000, making a total of \$16,650. These monies were appropriated in accordance with the resolution?—They were carried to the credit of the respective parties.

Q. And, I suppose, the effect of it was they got the money?—I do not think they have been all paid. It is either at their credit, or it has been paid.

Q. Then I find further, "Direction and management Dr. to Sundries." To Hon Frank Smith, President, \$4,000; to Noah Barnhart, Vice-President, \$1,250; to Board of Directors, \$8,000, making a total of \$13,250. I suppose these have either been paid, or will be paid?—They are either to the credit of the parties, or they have been paid.

Q. What Board of Directors is referred to here?—The Board of the Extension Company.

Q. This was immediately before amalgamation?—Yes.

By Mr. McCarthy:—

Q. Who were on the Board?—Hon. Frank Smith, Mr. Noah Barnhart, Vice President, Mr. Hime, Mr. Wm. Howland, and Mr. Turner.

By Mr. Bertram:—

Q. No more?—No other.

Q. Five?—Five.

By Mr. Guthrie:—

Q. There appears to have been a special general meeting of the shareholders?—
Yes. There was a special general meeting of shareholders, the 1st of June, the same.

day as the Directors' meeting. The shareholders are the same as in exhibit A.C. (Exhibit, A.C. put in).

By Mr. Bertram :—

Q. Then those two items in the special ledger, "To Noah Barnhart," and "To John Turner," are the amounts due to them on this account?—Yes.

By Mr. Guthrie :—

Q. Will you explain the amount paid to yourself, \$10,000, as consulting manager?—That was to pay me for services ranging over five or six years, for which I had received no remuneration whatever.

Q. Had you any account of the services or particulars to show how much time you spent?—I was consulting manager from the outset.

Q. But had you any thing to show how much of your time was occupied?—I could not separate the time appropriated to that, and the time appropriated to particular services as in a lawyer's bill.

Q. You have no account?—No.

Q. Were you employed by the Board of the Northern Extension as consulting manager?—I was.

Q. Had you any particular salary?—No salary was named.

By Mr. Bertram :—

Q. It was a payment in the nature of a consultation fee?—The services were active, onerous and continuous, and I believe very successful. That grant would represent, in the form of a salary, something like \$1800 per year.

By Mr. Guthrie :—

Q. Had they any other manager but yourself?—No.

Q. I refer to the period from when the road came into operation and parts of the Railway. They had no other?—None.

Q. Did you get an increase of salary from the Northern in consequence of the additional mileage being opened?—After the properties were fused by amalgamation?

Q. I mean before amalgamation?—No, not before amalgamation.

By Mr. McCarthy :—

Q. Then you had been acting as consulting manager from the inception of the undertaking?—I was consulting manager of the North Grey and the Muskoka, from the dates of their organization, when they were amalgamated into one as the Northern Extension, I was consulting manager of that.

Q. Had you anything to do during the period of construction, as to the construction of the road?—I had everything to do with the placing of their securities, and with the construction of the road, in fact, I generally conducted the affairs of the Company.

Q. Were you paid for these services from time to time, or is this the only payment?—This is the only payment.

By Mr. Guthrie :—

Q. You got nothing on account before this?—No, nothing.

By Mr. McCarthy :—

Q. It was on the eve of amalgamation that this \$30,000, \$10,000 of which to compensate you, and the other \$20,000 distributed in the manner mentioned, were granted?—That was on the eve of amalgamation.

Q. Mr. Jones got \$1,200 as chief engineer?—Yes.

Q. Had he been paid a salary?—He had been paid a salary. That was a gratuity at the close of the work.

Q. Then, Alderman Turner got a \$1,000?—He had been chairman of the Executive and Finance committee, and that was a note to him for these special services.

Q. What were the services?—Chiefly financial.

Q. Did they occupy much of his time?—He gave a great deal of attention to it. It was continuous work.

Q. For what period?—For four years.

By Mr. McCarthy :—

Q. What Board was he on originally, Muskoka or North Grey?—Muskoka.

By Mr. Guthrie :—

Q. Mr. Edgar, \$3,050 as Parliamentary Counsel, what was that for?—That was for services rendered in that capacity; services rendered through the campaigns that we had been engaged in, as our counsel.

Q. By campaigns your mean bonus-hunting and opposing rival schemes?—Yes.

Q. Had you many campaigns?—They were in existence all the time. We were never free from them.

Q. For many years?—All the time the Midland was trying to get to Waubashene, and all the time the Hamilton and North Western was trying to get to Barrie.

Q. This covered his expenses as counsel during that period?—It was considered that we had no right to the services of a lawyer without paying for them, if we had ability to pay them.

Q. Mr. Edgar was in Parliament for a short period. Had you any legislation the session Mr. Edgar was at Ottawa?—I can say generally, that whilst Mr. Edgar had a seat in Parliament he declined to conduct our Dominion Parliamentary affairs.

Q. Then he did not, while he sat in Parliament, act as Parliamentary Counsel for either the Extension or Northern Companies?—For none of them.

Q. Mr. Foreman, secretary, \$400. Had he acted all along?—Yes, he was secretary and accountant and had been paid by the Extension Company, and this was a gratuity to him on the closing of its accounts.

Q. Mr. Smith. That is Senator Smith I suppose?—Senator Smith.

Q. Personal expenses, \$1,000?—Mr. Smith went to England on the affairs of the Muskoka Company on one occasion, and had never been reimbursed his expenditure.

Q. Did he go specially?—He went specially it is true, but I believe that he transacted his own business, as he told us so at the time. That was the time he was in England for the purpose, and at the time he negotiated the securities.

Q. There is \$4,000 paid to him as President of the road. Will you explain that? Was it for services?—He was President of the Muskoka Railway, from its initiation, and subsequent to the amalgamation with the North Grey. He continued to be President down to that date, in all upwards of five years, for which he had received no remuneration whatever, either as director or president.

Q. Mr. Barnhart had \$1,250, I suppose as Vice-President?—Mr. Barnhart was President of the North Grey until its amalgamation with the Muskoka, and after that he became Vice-President of the united companies. His position was similar to that of Mr. Smith; he had had no compensation or recognition at all.

Q. The Board of Directors got \$8,000 divided amongst all the directors, including the President, Vice-President and Chairman of the Executive Committee?—Messrs. Smith & Barnhart declined to accept more than their colleagues, and the rates that were made to them were thrown into one fund and the amount equally divided.

Q. The whole of this \$13,250 was divided amongst the whole Board, including the President and Vice-President?—Well, more than the whole Board.

Q. That is \$4,000 voted to the President, and \$1,250 to the Vice-President, and \$8,000 to the Board of Directors, making \$13,250. You say Messrs. Smith & Barnhart declined to take more than their colleagues and the whole sum was divided among the members of the Board equally. Is that so?—No, that sum was divided among those gentlemen and others who formed a syndicate.

Q. This sum was divided between the President, Vice-President, Directors and some others, the whole forming a syndicate?—Yes, a syndicate.

Q. Have you the names of the gentlemen forming the syndicate? In addition to those five, who else formed it?—Mr. Edgar. There were eight shares, of which Mr. Smith took two; Mr. Hime, one; Mr. Turner, one; Mr. Howland, one; M. Barnhart, one and Mr. Edgar, two.

Q. Was anything more paid to the syndicate than this \$13,250?—No, not to my knowledge.

- Q. Did they also get allowed for the stock?—The stock was a different transaction.
- Q. This was all they got to your knowledge in addition to the stock?—Yes.
By Mr. McCarthy:—
- Q. You say there were only six in the syndicate. Were you not correct at first when you said eight?—Eight shares.
- Q. Were there eight individuals?—There were eight individual shares.
- Q. Were then any others besides Messrs. Smith, Turner, Birnhart, Howland, and Hime?—There were two others.
- Q. Who were they?—Mr. Gordon Brown.
- Q. And who else?—Captain Hincks.
By Mr. Guthrie:—
- Q. Son of Sir Francis?—Son of Sir Francis.
By Mr. McCarthy:—
- Q. Is he a resident of Toronto?—No, Montreal.
- Q. They were not stockholders, neither Brown nor Hincks?—Yes.
- Q. It does not appear here?—No. The stock was carried by Mr. Smith for Captain Hincks.
- Q. And who carried the stock for Mr. Gordon Brown?—Mr. Edgar.
- Q. Then this \$13,000 was divided into eight parts, as I understand?—Yes.
- Q. And was the profit made on the stock divided in that way too?—No, the stock was equally held.
- Q. It was held in trust?—Yes.
- Q. Why did not the names of these gentlemen appear as stockholders of the Company?—They took no active part, I do not know of any reason.
- Q. Did Mr. Howland take an active part as well as the rest?—He took his share of the work.
- Q. What did Mr. Gordon Brown do? Did he ever assist in the promotion of the road, or Captain Hincks?—They took no active part whatever.
- Q. Are you sufficiently cognizant with the transactions of the syndicate to state whether they were admitted to a share of the profits of the labor of which they took no part?—The syndicate was formed primarily with the particular object of eliminating a large number of small shareholders and of concentrating the stock in the City of Toronto so as to control it.
- Q. When was this syndicate formed?—Soon after the amalgamation of the North Grey and Muskoka Railway Companies.
- Q. That is when the Extension came into existence?—Yes. Having the stockholders in the county belonging to the original roads still in it, was found to be a source of great embarrassment.
- Q. Was the charter from the local House?—Yes.
- Q. Do you know upon what terms the original stockholders were paid up and the syndicate?—At par.
- Q. Were they paid interest?—No, because their stock was transferred to the syndicate.
- Q. What did the stockholders get for it?—The original stockholders got their money back. They were paid at par. I am inclined to think there were one or two instances in which interest was added, but I only know from hearsay.
- Q. With regard to Mr. Edgar, I have heard you say that he got \$3,000 for services as Parliamentary counsel in connection with what?—With these two roads.
- Q. Then as counsel for these two roads he had been active in getting charters. Had he been counsel for the Company when the charters were obtained for the North Grey and the Muskoka?—Certainly for the Muskoka, I am not sure about the North Grey.
- Q. Who was counsel for the North Grey if Mr. Edgar was not?—I do not remember any other counsel. I think he must have been counsel for both.
- Q. Then if he was counsel for the North Grey, he had been connected with both

the North Grey and Muskoka, and afterwards he acted as counsel in obtaining the Extension charter?—Yes.

Q. Can you tell anything else he did as Parliamentary counsel?—What do you mean.

Q. Well, he is paid here \$3,000 odd in connection with these two roads. Well, I understand that a Parliamentary counsel might be required to obtain charters, but can you tell me any other services he rendered?—Parliamentary counsel is a mere expression. His services were continuous as counsel.

Q. Were there any other services as Parliamentary counsel, that you can speak of?—He was our Parliamentary counsel, specially in connection, I think, with the Act of 1875.

Q. But he was paid for that otherwise?—Yes.

Q. He was Parliamentary counsel for getting amalgamation?—I think it was the Act of 1875.

Q. Was not that the Amalgamation Act?—That must have been it.

Q. Apart from that, do you know of any other services he rendered as Parliamentary counsel?—I do not think so.

Q. Then what were the other services as standing counsel for the Company?—I mean that as legal adviser for the Company he was always engaged with the charters in connection with township by-laws and bonuses, and that sort of thing.

Q. That would be the ordinary duty of standing counsel or solicitor?—Well, I could not say that it was ordinary, because it was personal services. He always travelled and went with the deputations.

Q. The date of this Northern Extension Railway bill is 17th March, 1872. Was it subsequent to that the syndicate was formed?—It was subsequent to that.

Q. Mr. Edgar appears to have been paid altogether \$5,396.04 in one year. Will you give us a statement, how much of that was for disbursements?—I see in 1869 Mr. Edgar figures in the Preliminary Expense book very largely. December 17, on account of delegation expenses from Orillia to Barrie, \$75; paid on account of Orillia office, \$150, same day; January 5, 1870, to secured notes, expenses Orillia, \$900; January 5, paid expenses Orillia, \$100; January 15, expenses Orillia by the deputation, \$120; January 22, paid on account of expenses, \$100; February 8, expenses deputation, \$70; February 25, paid for professional charges, \$250; June 6, on account of costs, \$200; for expenses in Mara, \$100; on account of Mara by-law, \$400; July 6, expenses Orillia, \$50. I see legal expenses are put down at \$1,769. Would that be about the amount paid Mr. Edgar for legal expenses? Was that before or after the road was chartered, October 3?—I think before and after.

Q. Then is not Mr. Edgar paid here for his services in connection with getting the charter for the Muskoka Railway?—I think he was.

Q. He was paid to the amount of that, at all events?—I doubt it. I think you will find amounts in that were for disbursements in the Company's service.

Q. There has been no bill rendered by Mr. Edgar for these services?—I presume there must have been an account from time to time.

Q. These were preliminary expenses?—Yes.

Q. Were there any vouchers for these?—I could not say.

Q. The preliminary expenses in connection with this road, coming to \$29,249.63 were all paid out of the Northern Railway Company except \$400. (Vouchers of 112 and 407 for 1873 produced).

Q. It appears from the vouchers that Mr. Edgar was under a salary of \$1,600 per year?—His firm.

By Mr. Guthrie:—

Q. Did you say that Mr. Gordon Brown and Captain Hincks got one eighth of this \$13,250?—As I understood, whatever was received by any of the parties, whether President, Vice-President, or Directors, was carried to the credit of the syndicate.

Q. Where is the account of the syndicate?—I have nothing to do with them. I never got any account of it.

Q. Who has?—It is themselves I suppose.
 Q. Who managed the business of the syndicate?—I think it was managed chiefly by Mr. Turner and Mr. Hime.

By Mr. Bowell:—

Q. You were not one of the syndicate?—No.

By Mr. Guthrie:—

Q. Then have you any knowledge of your own as to who got the \$13,250?—I understood that it was equally divided in eighths, excepting that there were deductions from the eighth held by Mr. Brown, on account of interest, which belonged to him.

Q. On account of interest the syndicate had paid for him I suppose?—Had paid for him. I understood that when the outlying debt was purchased.

Q. Was it Captain Hincks or Sir Francis Hincks?—It was Captain Hincks originally, but he went to England and assigned his interest sometime afterwards to his father.

Q. And it was Sir Francis Hincks who got the share of this?—It was Sir Francis Hincks with whom the account was closed. Captain Hincks had gone to England.

Q. I understand that the syndicate paid par to the original stockholders?—I was about to explain my understanding. When the syndicate was formed to take up the outlying stock and to concentrate it in Toronto, it was intended that a portion should be financed on account of the syndicate, and appropriations made to pay off the stock as I tell you at par. Subsequently the syndicate paid up their proportions with the exception of, I think, Mr. Brown, and it was therefore that he was indebted for the interest.

Q. Was the syndicate for any purpose in connection with the proper handling of the road; or, what was the object in getting in the stock?—The object was to concentrate the control of these roads in the city of Toronto.

Q. What was the position of the road at the time of the syndicate's formation?—It was in course of construction.

Q. It was not running at the time?—No.

Q. At the time the syndicate was formed was there any project to amalgamate with the Northern?—No. The amalgamation was only brought about by the inability of the Extension's Company to finish that line, or to carry the burden of a floating debt. They always intended to hold it as independent property under lease to the Northern.

Q. You say that it was formed for the purpose of concentrating stock in Toronto. Was it the intention then to extend the line?—There was no intention to extend it further than where the lines have now been constructed to, excepting the opinion that the Muskoka line might be possibly extended to Bracebridge.

Q. The city of Toronto gave a bonus to the Northern Extension?—It gave \$100,000.

Q. Was the syndicate formed before or after the bonus?—After.

By Mr. McCarthy:—

Q. The bonus was for the Muskoka road?—Yes.

By Mr. Guthrie:

Q. Then the North Grey got none?—Nothing from Toronto.

Q. The bonus had been paid prior to the formation of the syndicate?—A long time prior.

Q. You were not a member of the syndicate?—No.

Q. And you have not the accounts that were kept of the appropriation of this money?—I have not.

Q. This money that was voted—the \$13,000 for services was really divided in the way you say, amongst the eight?—Yes, as I understood.

By Mr. Bowell:—

Q. Can you tell how it was that Captain Hincks, who was one of the original syndicate, and who I understand had done nothing towards the promotion of the road

was taken into the syndicate?—In the ordinary way in which syndicates are formed—a choice of persons to act together and to find the money.

Q. It was suggested that his financial connections would enable them to negotiate money in order to carry out the scheme?—I suppose that was one of the reasons; but it is not an unusual thing that syndicates are formed upon a basis of personal friendship.

Q. I think you are right there. Some are taken in as personal friends, others are taken in simply from the influence they possess, and in some other way, are they not?—There are various reasons.

Q. That is the only reason you know Captain Hincks was taken in as one of the syndicate?—He was one of the parties united in the operation.

Q. I understood you to say that Mr. Gordon Brown had done nothing in connection with the promotion of these roads. Could you give any reason why he was admitted within the circle?—I think he was probably admitted on the basis I spoke of. There was a strong personal friendship between Mr. Edgar and himself.

Q. And from influences he might bring to bear, or simply from a personal standpoint?—From a personal standpoint I should think.

Q. I suppose Mr. Brown had lent his aid to the promotion of these bonuses in the ordinary way?—I think not.

Q. You think he did not personally?—I think not.

Q. Did the *Globe* oppose these bonuses?—The *Globe* opposed the bonus to the Muskoka Road.

Q. When was that?—At the very outset.

Q. After that he was taken in as one of the syndicate?—Yes.

Q. Did he offer any opposition to that enterprise after that; or don't you know?—Yes, we have always felt that the *Globe* had criticised us harshly.

Q. Do I understand from that, that the *Globe* continued to oppose that enterprise after the syndicate was formed?—I do not believe there has been active opposition, but there has been unfriendly criticism, I am sorry to say, always.

Q. Do I understand that to be before the bonus was obtained and the amalgamation come to?—I think the unfavorable and unfriendly criticism of the *Globe* has been continuous and unbroken.

Q. You do not know whether they opposed the amalgamation? do you, or do you not?—I do not know. My impression is that they did not favor it.

By Mr. Guthrie :—

Q. Did Mr. Brown interfere personally in any legislation that the Companies wanted?—Not to my knowledge.

Q. Of course this syndicate was a financial operation, you say?—Yes.

Q. Involving some degree of risk, undoubtedly?—A most serious risk. It might have been a profit, and it might have been very much of a loss to be a member of it. At one time the liabilities upon the syndicate were I think over \$250,000.

By Mr. Bowell :—

Q. What liabilities were these?—The liabilities of the Company of which this syndicate held the controlling power.

Q. But they were not personally responsible?—They were personally responsible for the unpaid up calls.

By Mr. Guthrie :—

Q. Did not Mr. Smith and some leading members of that syndicate, in the name of the whole, take the liability for a large amount of money?—Yes.

Q. In addition to their stock?—In addition to their stock.

By Mr. Bertram :—

Q. The syndicate was the Company?—Practically.

By Mr. Palmer :—

Q. That is to say, they held all the stock of the Company?—They held by far the largest proportion.

Q. If I understand you aright, this syndicate was formed, and the stock was under their control almost immediately before the application for amalgamation?—No,

at the time the syndicate was formed there was not the slightest intention of amalgamation.

Q. How long did that precede the amalgamation?—A very considerable time.

Q. At the time you applied for amalgamation the syndicate held the great bulk of the stock?—They held the great bulk of the stock.

Q. I think you said, in reply to Mr. Bowell, that the *Globe* opposed the amalgamation and continued to oppose it. Is that so?—I am not clear upon that particular point, but I think I should remember any case in which—

Q. Did I understand that you said the *Globe* was continuously hostile?—That is what I said.

Q. Do you adhere to that?—I adhere to that.

Q. Now if the *Globe* had been so hostile in wishing to defer your amalgamation, would not the most effectual way of doing that be by exposing the syndicate?—There was nothing in the syndicate to conceal or to be exposed.

Q. Do you mean to tell me that the syndicate was generally known to the public?—I do not know that it was generally known to the public.

Q. Are you not under the impression, that if that was exposed by some persons who wished to oppose the legislation?—The formation of that syndicate was, in my opinion, a most wise course.

Q. I do not deny that, but what I want to get at is this:—supposing a person wanted to defeat your legislation, in your judgment, do you know of a more effective manner to do that than by making public?—I think you are mistaken in supposing that the making public of that syndicate would have injured us. I am not at all sure, but that it would have given strength to the concern.

Q. You mean that the fact that these gentlemen held stock would have gone a long way towards assisting legislation?—If it had been made public, it would have been found to be composed of very strong men, and the credit of the Company would have been advanced.

Q. No doubt of that, but what I do doubt is that you could have got the legislation from Parliament if the real state of the case had been stated?—The stock list was at Ottawa, and was examined, if I remember rightly, before the bill was passed. The stock list is practically the syndicate itself.

Q. That is the members of the syndicate, but the syndicate itself is the agreement on which you took the stock. If I understand it right, every one of these stockholders was an independent man, but by the syndicate the whole thing was a joint speculation. We call it a ring in our country. I have an idea that there is a prejudice in the country against rings. I ask, if in your judgment, if the information had been made public that this ring existed, would that fact not have affected the legislation considerably?—I do not think so; I know it ought not to have done so.

By Mr. McCarthy:—

Q. Do you say this syndicate had any liability beyond their liability. Any one of them?—They had some in the course of purchasing the outlying stock.

Q. What do you call the outlying stock?—The stock that was in numerous hands, and small amounts.

Q. That of course became theirs, and had they any liability except as stockholders in connection with the road, had any member of the syndicate?—I do not think so, except in connection with the purchase of the stock.

Q. From the figures given us, the amount paid will be \$13,200, to acquire the stock. Now, was there any liability assumed by the syndicate. You spoke of Mr. Smith being personally responsible?—Mr. Smith may have been personally responsible in a temporary way, but I do not remember any other liability.

Q. If so, it was solely as Mr. Smith, he was responsible as representing the syndicate. Did they authorize him to become responsible in that way?—I do not think so.

Q. The transaction was simply this: they paid to the stock at \$13,200, on which they realized something like \$7,000 altogether?—Yes.

Q. In other words, each member of the syndicate got about between \$2,500 and \$2,600?—Yes.

Q. Then what do you mean by the original liabilities they assumed?—I mean the open liabilities of the Company.

By Mr. Palmer:—

Q. Did they make themselves personally liable?—If it had not been for these liabilities, I do not think the Northern would have possessed the road.

Q. Did they assume any personal liability for the liabilities of the road?—As stockholders, holding stock not paid up.

Q. Did they assume any personal liability for the liabilities of the Company?—I do not think so.

Q. Do you know what the amount of that liability was?—\$65,000.

By Mr. Bowell:—

Q. What was the amount of the assets against that?—The assets were the road as far as constructed to that time.

Q. What was the value of the road as far as constructed?—I could not say.

Q. Could you approximate?—I should say the road at that time was about one-half constructed.

Q. What would be the approximate value?—About \$24,000 per mile.

Q. How many miles?—24 miles; half of the whole length.

Q. Then they had property worth \$376,000 with a liability of \$50,000?—No, they had property worth nothing unless it could be finished.

Q. They formed the syndicate for the purpose of utilizing the money that had been expended, \$376,000, by which they became responsible for only \$50,000?—Absolutely valueless.

Q. But, still it was worth that to them, or to any Company intending to complete the road?—It is a warning to everybody never to go into Railway construction again.

Q. They sold it out?—At vastly less than it was worth and cost.

Q. But they got more than they paid. Practically it comes to this: they got \$21,000, and \$13,500 for their connection with the road?—That is it, and five years services.

Q. As to Mr. Edgar, he was paid other ways for his services, \$21,000 they got and the \$13,000; then you say they also have in your judgment, their interest in the late Couchiching Hotel?—No, they never regarded that as an asset.

Q. It either belongs to them or the Northern. You said the Northern did not regard it as an asset?—Yes, that is a mere matter of book-keeping. If that had been written off as it ought to have been, it would have been all correct.

By Mr. Bowell:—

Q. By what process would you extinguish the debt?—The Company might do it if they chose. I do not know of any other way than by writing it off.

Q. You mean the Northern Extension would meet together and sign the release?—I mean they contributed that amount of money in aid of the work, just as if it was a work of their own.

Q. And why should they discharge the debt to the Hotel Company?—The Extension Company promoted the construction of the Hotel in their own interest, and more than that, they expected to get full value out of their investment in the working of the road.

Q. Then why should they discharge it?—Railway Companies build hotels. The Grand Trunk has built hotels in various places; almost every railway in England builds hotels.

Q. I merely want to know why it is to be written off?—What I said the other day is I think absolutely true, that if the addition made the Hotel company had been considered a live asset under the contribution, than the Extension Company would have been just that amount better off before amalgamation.

Q. Then by that operation, they would get more than the Act of Parliament?—On the contrary, the Act of Parliament permitted \$20,000 a miles as a limit of the purchase, but that includes—

Q. I am not speaking of the construction at all. The Act of Parliament authorises to amalgamate and to receive 12½ per cent for paid up stock and interest upon it. If in addition to that you took the money as directors in the Hotel company extinguishing their debt to the Northern Extension, would you be receiving what the Act of Parliament authorized you to receive?—If the money in the hotel had not been included as part of the cost of the road, then undoubtedly the difference between \$20,000 and the cost of the road would have been just so much more, and the shareholders would have got it.

Q. I think you said in the course of the examination that you and Mr. Edgar bought this land. Did you hold it?—Mr. Edgar purchased during my absence in England, and on my return offered me a share in it.

Q. He transferred the share to you?—No, we had been looking for some land in that vicinity. He exercised his judgment in purchasing that piece of land and I joined him as I expected to do on my return from England.

Q. Yes, and he got \$1,000 out of it in Hotel stock?—And a very little too, I think. If anybody else had been transferring the land, they would probably have looked for four times as much.

Q. I see in the election of a member of Parliament for Monk, Mr. Edgar qualified upon some such name as Couchiching. Is this the same land he qualified on? or do you know?—I do not know whether he has any other land at Couchiching. I do not know anything about his qualification. I do not think he has any other land there.

By Mr. McCarthy:—

Q. I understand you to say, that when Mr. Gordon Brown got his proportion of this profit there was a deduction made for interest?—Yes.

Q. Then had not Mr. Brown paid anything originally?—The original understanding was, I think, that the funds were to be financed and that no one was to contribute, but on joint credit the necessary moneys were to be raised. The moneys were so raised and afterwards, later on, the moneys so raised were paid off. Mr. Brown not having contributed his proportion at that time was charged interest.

Q. Then, in fact, Mr. Brown never paid a dollar towards this purchase?—A portion was paid upon credit up to a certain stage.

Q. Then, at that time the other members paid their proportion, and Mr. Brown did not pay?—I believe that is correct.

Q. Then he got this \$2,500 or \$2,600 without having paid a dollar, and purely as you understand it on account of Mr. Edgar's personal friendship?—You are just as capable of judging of that as I am.

Q. But you said so?—I said that syndicates are formed upon that basis often.

Q. Oh, I thought you said so with regard to Mr. Brown?—I presume it was.

Q. Do you know of any other reason why Mr. Brown should become a member of the syndicate? Is there no influence he was to exercise?—He was a personal friend of Mr. Hime and Mr. Turner, and I might venture to say of myself.

Q. Then that is the position of it, and you do not know any other reason why Mr. Brown was taken in except for personal friendship?—For friendship, and because he is a man of property, reputation and influence.

By Mr. Guthrie:—

Q. Although he had not paid anything, he had become liable for a great deal?—The liabilities were very heavy.

Q. And become liable for his share?—Yes.

Q. You say the original agreement on which the syndicate was formed was that the money necessary was to be financed for and not contributed. Was it expected when the arrangement was made, they would be called upon to contribute personally?—It was understood originally that they would not.

Q. Do you know whether Mr. Brown had a reason for not contributing his share? Had he any objection to a separation of the interests that was involved?—I do not know from my own knowledge. I heard it was so, but I had no conversation with him on that point.

Q. Do you know the actual amount Mr. Brown received in cash?—I do not.
(Mr. Guthrie:—Because I am just informed it was \$800.)

By Mr. McCarthy:—

Q. You say Mr. Brown became responsible. How did he become responsible? In what way? Does his name ever appear in that financial operation?—The whole number were responsible; each in his share.

Q. For his share in the \$13,200?—For his share, whatever was to the good or bad.

Q. You say he was responsible. Was it a mere matter of honor?—I think the agreement was reduced to writing.

By Mr. Bowell:—

Q. I understand you to say, it was arranged between the eight gentlemen who formed the syndicate with the understanding that Captain Hincks and Mr. Brown should not appear?—On the contrary, I believe that all the parties signed the paper.

Q. But they did not appear ostensibly?—Because they had not originally been shareholders, and the transfers were taken to the original shareholders.

By Mr. Guthrie:—

Q. Was there any agreement that their names should not be made known?—No.

By Mr. McCarthy:—

Q. You say Mr. Edgar made a trip to England?—He did.

Q. What services did he perform there?—He went to England in consequence of the failure of contract, by parties who had purchased the Company's debentures, the object being to enforce the contract and recover the money.

Q. For that he was paid \$990. Do you remember that?—Yes.

Q. That was on behalf of the Extension Company?—Yes.

Q. I see he was paid at a rate of \$400 per quarter, \$1,600 per annum. Of course, this was over and above his expenses when you and he were there together?—Yes.

Q. Then I see Mr. Edgar has rendered an account to the Company in which he charges for Parliamentary services, \$356.79. Then there is another, \$1,204.49, of which Mr. Boulton was paid \$750, bringing Mr. Edgar's share to \$450. That, you say, include the fee for drafting the charter for the North Grey, \$200. Fee for passing bill through Railway Committee, drafting and amending clauses, \$50. That was in 1870-1, during the session. Then Mr. Edgar was counsel for the Company in getting the amalgamation scheme through, which already appears in the report of the Northern Railway Commission, for which he was paid \$2,500?—Yes.

Q. I see here an item, "Paid F. W. Cumberland draft, 26th February," apparently paid to Mr. Edgar \$300, Northern Railway Company. Do you know that was charged to Parliamentary expenses on the 25th February, 1875? Was that in your favor, or Mr. Edgar's favor?—My impression is that that was a draft made to our account, on account of local expenses here, either to Mr. Edgar or myself. I remember the circumstance very well, just as Mr. Boulton drew on one occasion for expenses, so Mr. Edgar and myself did on that occasion.

Q. There is another like item, 1st April, "Amalgamation expenses to Mr. J. D. Edgar, draft 1st April, \$150?"—These are not fees at all. They are personal expenses.

Q. It was Mr. Cockburn who drew on you for the amount of Parliamentary fees. You remember that \$247?—Yes.

Q. Mr. Cockburn had charge of that bill?—Yes, he paid these disbursements.

By Mr. Bertram:—

Q. There is one question I wanted to ask in connection with the hotel matter. The amount of money advanced by the Northern Extension as shown in the books was looked upon by the Extension Company and by the Northern as practically a contribution to the hotel?—Yes.

By Mr. Guthrie:—

Q. A considerable amount of the monies that appear to be charged to Mr. Edgar were disbursements made by him for the purchase of real estate and for other outlays?—Yes.

Q. That seems to be largely the case in regard to the preliminary expenses. Now, in these preliminary expenses I find Mr. J. C. Rykert got some fees?—Yes.

Q. That is the late member for Lincoln?—Yes.

Q. He got \$100; "3rd October, 1869, paid him for fee on revision of bill"?—Yes.

Q. There is also another here; "November 7, 1870, paid J. C. Rykert, St. Catherine, professional services, \$100"?—Yes, that is of the same kind.

Q. Then I see Mr. Belford was paid, November 2, 1869, \$200, what was that for?—For services; reporting.

By Mr. Bertram:—

Q. That is the same \$200 we had the vouchers for?—No, I do not think so. Mr. Belford went with us and reported our meetings.

By Mr. Guthrie:—

Q. There is another payment to him of \$200, 8th December, 1869?—At this time his services were very continuous and important. He used to report at our meetings.

By Mr. Bertram:—

Q. I suppose he went with you out into the country?—Continually.

By Mr. Guthrie:—

Q. In the Preliminary expense book, December 31, 1867; "By Parliamentary expenses, paid J. B. R., F. S. or S. S. and Mr. C." what is this?—I think that is meant for Mr. Frank Smith.

Q. The hon. Frank Smith?—The two presidents and myself.

Q. Then the honorable John Beverly Robinson, the honorable Frank Smith and yourself got \$2,000?—Yes, for disbursements in the same way.

Q. In connection with bonuses?—Yes.

Q. Have you any details?—I think not.

Q. Was this during the session of Parliament?—No, I think not. It certainly was not in connection with Parliament.

Q. There was \$1,000 charged, January 15, 1870; the cheque was drawn 28th December, but not recorded. It does not say who got it, nor the purpose for which it was used?—It is classified.

Q. From the classification can you tell me the purpose?—I think I can, (after referring to the books) It is bonus expenses, legislation, suits and arbitration.

Q. How much of it was for Parliamentary expenses?—\$500 for bonuses; \$250, suits and arbitration; \$250, Parliamentary expenses.

Q. This \$2000 charged as paid to Mr. Robinson, Mr. Smith and yourself is classified, how?—Between bonuses, expenses, and legislation.

Q. Parliamentary expenses?—Parliamentary expenses.

Q. This \$1,000 Was all of that actually expended in legislation?—I don't think so. I think, perhaps more properly it would belong to bonuses.

Q. These two payments to Mr. Rykert; for what services were they?—To draft the bill.

Q. What was your cheque for \$100 for?—For legal opinions on our bills.

Q. Then before the Local House?—No, after they had been passed.

Q. Had he ever been employed as counsel for your Railway before?—Yes.

Q. He did?—I think so.

Q. For what business?—I cannot remember the time, but I think earlier.

Q. Was there any bill in 1870? You got that bill in 1869; was there any amendment to it?—I do not think so.

Q. What were the professional services?—They were opinions upon our bills.

Q. Upon bills you got passed at our Local House?—Upon Acts of Parliament. Questions had arisen.

Q. Had you applied to him for opinions before?—I think I had.

Q. What kind of business had he done before?—Railway business.

Q. Was it connected with Parliamentary business?—I do not think so.

Q. What Railway business had he done for you?—I could not speak from memory, but I have taken his advice several times.

Q. Did you pay him a large amount in fee?—No.

Q. I think that November, 1870, would be while this Parliament was sitting. Would not it?—No. I think on that occasion the service was performed before the session. I think it was earlier.

Q. Were the services on account of the bill before Parliament?—No, that is for the revision of the bill before Parliament.

Q. The bill about to be introduced?—I believe so.

Q. He was a member of our Local House at that time?—Yes.

Q. Can you tell by the cheque how that \$100 was paid on the 28th December?—I should say not, from the entry.

Q. I see \$1,000 to the hon. Frank Smith, 25th Feb., 1870, paid him for sundry amounts disbursed. Have you the particulars of that?—That was for bonus expenses.

Q. Paid to him for bonus expenses?—Yes.

Q. Then, on March 4, "Hon. Frank Smith, paid him for disbursement, \$1,000?"—That is the same.

Q. Another thousand?—Yes.

Q. What is this \$573.90? Is it also bonus expenses?—Yes.

Q. Mr. Barnhart again, \$100. That would be for the same sort of services?—Yes.

Q. Mr. Barnhart again, \$100, 25th April, 1870?—Yes.

Q. Mr. Smith again, \$641.50, June 6. What would that be for?—Bonus expenses.

Q. Were they paid from the Northern Railway?—Yes, it was all repaid by the Extension when the Companies were amalgamated.

Q. What is this, 6th June, 1870, "S. B. Harman, paid expenses of mission, \$1,000"?—This is the mission to England, I apprehend.

Q. Did he go to England expressly for this Company?—Yes.

Q. J. J. Vance, paid him \$200. Who was he?—He is Private Bill clerk in the Ontario Legislature.

Q. He was at that time?—Yes.

Q. What was that for, because he got \$60 before this?—I think it was for printing and things of that sort. He undertook these services for us.

Q. For services or for disbursements, which?—Fees, services and disbursements.

By Mr. Bowell:—

Q. Would the \$60 paid the clerk of the Private Bills committee be the expenses of printing the bill? \$60 is the fee for a private bill?—\$60 for the bill and 200 for other services.

By Mr. Guthrie:—

Q. Here is another draft: October 25, 1870, draft drawn by J. J. Vance, \$233. Was that on his way to France?—I could not say whether it was on his way to France.

Q. Why did he draw it?—I rather think it was because I was not present to pay it, while he was there.

Q. What was this for? Was it additional services?—I think services in connection with our disbursements connected with our bill.

Q. Would that be to cover the expenses of the bill?—I think this was closing his account.

Q. Was this for services as clerk of the Private Bills Committee? or was it for something else?—I think Mr. Vance was one of the promoters and assistants in our bonus matters.

Q. Outside of the city, or in the city?—Outside of the city I think. I know he attended country meetings with us.

Q. What is this: "November 24, 1870, draft drawn by C. W. Moberley, \$800?"—That was bonus expenses.

Q. Do you know anything about this bill, " (Lavell) \$5,000 for land at Gravenhurst"?—That is for the purchase of the depot land in Gravenhurst.

Q. Was that amount paid to the man?—Yes.

Q. What is that on August 31, 1874. There is hon. John Beverly Robinson \$500; what is that?—These are bonus expenses.

Q. Who got the bonus expenses paid?—They were disbursements made through leading members of the different companies.

Q. Was there any account of that?—I presume there was at the time.

Q. Where is it?—I do not know. What I mean to say is that these accounts were all considered at the time.

Q. Was this paid to him in advance, or after he had been out?—I could not say from memory.

Q. Was there anything that would indicate that. The amount is a round sum you say?—We went very often when the banks were closed, and had to get the money.

By the Chairman :—

Q. Is not this a transfer of the account offered in account of bonus expenses?—I suppose it is so; I could not say.

By Mr. Guthrie :—

Q. The other day, in speaking as to your private means for paying subscriptions of a thousand dollars to election purposes, I think you used the phrase, that you were considered in such matters as representing the Railway?—I did.

Q. And that no one would suppose that you were sufficiently wealthy to give amounts of that kind out of your private purse?—I did.

Q. I may ask you this: Although your income appears to have been considerable, was it not generally known that your expenditure was also considerable, liberal; that you lived in what is called good style, and so on? What do you mean by not being considered wealthy?—Railway men, as a class, are always open-handed and liberal.

Q. You said in explaining how you were regarded in this subscription, that you were not sufficiently wealthy to give that out of your private purse. Your income was large, and my reason for putting the question was to ask you to explain what you mean by not being sufficiently wealthy?—I can say, as a matter of fact, that I should never have made these subscriptions personally under any circumstances. As a matter of fact, I should never have made them as personal subscriptions.

Q. What knowledge had others dealing with you of that?—I cannot pretend to dictate the thoughts of others.

Q. You say, you were not regarded as wealthy by others?—I say if these had been regarded as personal subscriptions, they must have thought me richer than I was. I do not know of many men, who subscribed with the liberality that was attributed to me.

By Mr. Palmer :—

Q. Had these gentlemen any means of knowing what your private means were?—I cannot say.

Q. What they may have thought? men may have thought different—you cannot tell?—I am not answerable for other people's thoughts.

THURSDAY, 12th April, 1877.

The Committee met.—MR. ARDIBALD in the chair

Mr. F. W. CUMBERLAND, re-called.

By Mr. Palmer :—

Q. Do you remember the proposal for settlement to extinguish the government lien, that the Government brought before Parliament in 1873? What was the amount that was to be paid by the Company to extinguish the government lien?—I am under the impression that it was 50,000 pounds sterling.

Q. To extinguish the whole lien?—Yes.

Q. The bonds that Canada held were what was called the first preference bonds?

—No; second preference bonds; at that time they also held the third preference bonds.

Q. Then the second and third preference would be what?—Class B of the third preference.

Q. Are the bonds now held of the class B?—Yes; they have two holdings, £50,000 in seconds and £50,000 in third preference, class B.

Q. None of these bonds are in the market?—The seconds are quoted:

Q. What is the market value of them?—They have been quoted recently from 87 to 88; but it must be remembered that you are asking me in reference to the holdings of the Government. Each holding is in one bond of £50,000, and of course a market for that is simply impossible, and if it were possible the floating of so large a proportion of the bonds at any one time would have a most depressing influence.

Q. And class B, of course was after class A, it would be of course of different value to class A?—There has never been a quotation; there is no market, there is no quotation.

Q. I see by the Act that the payment out of the earnings of the road, the first thing to be paid was the working expenses of the railway?—Yes.

Q. The second thing was the interest on the second preference bonds of the Company?—The first preference bonds.

Q. What was the amount of these first preference bonds?—250,000 pounds sterling.

Q. Well, from 1868, at the time of the passing of the Act, an Act passed in 1868 entitled "An Act respecting the Northern Railway of Canada," from that time down to the time of this settlement with the Government, did the Company earn enough money to pay the interest on the first preference bonds and to pay the whole expenses including all the expenses for the maintenance of the railway, the maintenance of stations and station sidings, fences etc., and plant used in running the road?—Yes.

Q. It earned enough to do that?—Yes.

Q. Did you pay any interest to the Government on the second preference bonds, because that would be the second thing?—We have paid the full interest to this date to the Government on the second preference bonds.

Q. I am not speaking of the bonds the Government now holds, but the interest on the debt that was extinguished by the compromise?—It stood next after the third preference bonds.

Q. Let me ask you whether the gross earnings of the road were sufficient to pay the working expenses, including the maintenance of buildings and equipment of the road that I have spoken of before, and interest on the first preference and interest on the second preference and the third preference bonds, all which you say preceded the Government lien, was it sufficient to pay all that?—Yes.

Q. Then in that time you did not pay anything to the Government lien?—We paid nothing on the lien.

Q. Then you did not incur any floating debt during that time?—We have always had a floating debt, or almost always.

Q. Would it be sufficient to pay what you have mentioned and the floating debt?—I think not.

Q. Then, if I understand you right, during all this time there existed a floating debt; that is, you say you were not able to pay what the Act defines, the necessary re-equipment of the road and pay off your floating debt. What is the amount of the floating debt? I just want an approximation to it; we will just say in 1871-72 and '73?—The floating debt has fluctuated.

Q. Between what sums?—Between, I should say, 20,000 and 50,000 pounds sterling.

Q. Well, then, we will suppose, Mr. Cumberland, that these particular sums, we will say the subscription to Sir John A. Macdonald's testimonial and to Mr. Hincks and other sums of that nature, suppose none of these were paid at all, would there be any money left after paying the floating debt and the different liabilities that preceded the Government loan to pay towards the interest on the Government lien? Now I

suppose that none of these sums had been taken?—Assuming that none of these sums had been paid the result would simply have been to reduce the volume of the floating debt.

Q. Then, if I understand you aright, none of this money could properly be appropriated to the payment of the Government lien?—We should have had so much more money in hand; it would have had the effect of reducing our liabilities.

Q. Then the result is, Mr. Cumberland, that none of this money could have been properly applied to the payment of the Government lien?—No.

Q. In other words, the Government had no claim upon that money?—No.

Q. Now I see by the Act that the very object of the Act was to enable you to put additional rolling stock upon the railway, and you are allowed by the Act to pay for this out of the gross earnings of the road. Now, did you put more rolling stock on the road than was reasonably necessary to conform to the intentions of the Act? I will read the preamble to you so that you may understand it (reads the preamble.) Then it provides for the raising of the money and then it reads that the money shall be distributed as follows: to the payment of the working expenses of the railway, that is working expenses and improvements, and so it is perfectly clear what is your duty under the Act. What I want to get at is, whether you paid any more and extended your works any more than was reasonably necessary?—Until the recent depression of our trade during the last two years we never had sufficient facilities for the traffic that was offered.

Q. In other words, you had not sufficient appliances and rolling stock to carry your traffic?—No.

Q. Would you have money, after paying the interest on the lien and a reasonable amount on expenditures on your railway, as permitted by the Act?—Up to the period of which I spoke we never had sufficient facilities for our traffic, and we could never have paid the Government anything while there was a floating debt.

Q. It has been insinuated that you deliberately spent, instead of allowing the money to go to the Government, that you deliberately spent the money in unnecessary rolling stock or working expenses?—That is absolutely an error.

Mr. Bertram to Mr. Cumberland:—When did you take the management of the Northern Railway?—In 1859.

Q. When you took the management of the road had your revenue equalled your expenditure?—Until the year 1859 the gross receipts had been insufficient to meet the working expenses, and in 1859 it opened with an accumulated floating debt of £64,448 sterling.

Q. Well, when did you first begin to make the payments? In what year did you first make a payment of interest to your bondholders?—In 1860.

Q. That is the second year that you had an amount of revenue over and above the expenditure of the road?—Yes.

Q. I notice by the Act of 1860 that you applied to Parliament for power to borrow £250,000 sterling under certain conditions?—That was 1860; the enactment of 1860 was simply giving legislative effect to an order in Council of August 1859.

Q. Was that order in Council authorized by any Act of Parliament?—It was authorized by an Act of the previous session giving power to the Governor General in Council to deal with the property.

Q. I notice that there was 10,000 pounds sterling of bonds which was to be repaid to the Government under that Act?—That was a temporary advance to enable the Company to lay sufficient new rails in the track which had become unsafe and wanted repairs. That was paid back to the Government when the Order in Council went into operation. Prior to that the road had been declared unsafe for public use by the Government Railway Inspector, who required that a certain amount of new rails should be laid into the track before he could permit it to be run; the Government then made the advances to which you refer to enable the Company to do that at once, upon the understanding that upon the passage of the Order in Council and the raising of new moneys and new capital thereafter, that this sum should be paid to the Government.

Q. And it was repaid in cash?—Yes.

Q. And you also paid to the Government 50,000 pounds of second preference stock in payment of interest on the Government lien?—The condition upon which the Order in Council of 1859 was passed was, that in consideration of the Government permitting 250,000 pounds of new capital to be raised, that they, the Government should receive a bond for 50,000 pounds to take rank with the then existing 2nd preference bonds, that is in consideration of the passing of the Act to enable the Company to place increased new capital in front of the lien.

Q. Was that considered in payment of interest on the lien?—I should want to refer to the Order in Council to see the language. It was in reduction, it may be stated generally, that it was in reduction of the debt due by the Company to the Government in regard to the lien.

Q. I wanted to know whether it was in payment of interest or the payment of the lien?—It had been so treated as a payment of interest. We have entered it in our capital account as "issue of preferences on account of interest arrears, 50,000 pounds."

Q. There was 50,000 pounds more of these bonds that you got power to issue, either to be sold to pay the creditors or delivered to the creditors for their benefit?—That was in regard to the floating debt to which I just now referred, and the Government in giving us power to raise new capital made that provision for the security of the creditors, and it was so applied and the debt was paid off.

Q. All the floating debt?—Yes.

Q. So that you started as it were with a clean sheet in 1860 so far as the floating debt was concerned?—As far as the floating debt was concerned "yes," but inasmuch as the executive has never had any working capital, we no sooner got rid of one floating debt than we had to face another current floating debt, because it is as impossible to manage a railway without working capital or accommodation as it would be to work any other commercial concern.

Q. Have you explained the 140,000 pounds: that accounts for the £100,000 and £10,000; how would the other £30,000 be expended?—It was expended in the re-construction and improvement of the railway, in adding to and repairing its rolling stock and bringing the property up out of the delapidation in which it was into a condition of efficiency.

Q. In consequence of your action I suppose you were enabled soon afterwards to pay full interest on the first and second preference bonds to the English bondholders?—The theory and policy of our legislation in 1859 and '60 was that if we could get rid of the floating debt, and if we could restore our works to actual efficiency and to a high standard, we should then instantly reduce our working expenses to a proper standard and should make a margin of profit.

Q. In what year did you first pay full interest on the first and second preference bonds to the English bondholders?—We have paid full interest upon the first preference bonds from the date of their issue and with exact punctuality, also the second preference bonds from the first, but they only gradually came into full dividend rank.

Q. I notice by the returns that you spent a very large amount of money from 1863,—that you spent a large amount of money on new works and rolling stock out of revenue. Can you tell the Committee how much you did spend from say 1863 to 1873?—I have got it to 1875, if it will be equally convenient to you; from 1863 to 1875, both inclusive, we expended on extension of new works, buildings and the like, and the outlays of which full particulars will be found in the report of each year, we expended 142,576 pounds sterling, and during the same period we spent upon additional rolling stock, in engines, cars, and equipment of that class, 79,373 pounds.

Q. Out of revenue?—Out of gross earnings, out of revenue, 221,949 pounds altogether.

Q. I would like to ask you a question about this matter, why it is that you went on making these, to me, very large expenditures out of revenue in place of treating the Government lien as second preference bonds, that is paying a part, at any rate

of the interest due on that lien?—I must trouble you with something like a history of the growth of our traffic and of the course of our administration which resulted in the course of action to which you refer.

Q. Well, as shortly as possible?—In 1860 we adopted the policy of cutting out, abandoning, an unremunerative through traffic, and we devoted ourselves wholly to the development and nursing of the local traffic; the through traffic had always been unprofitable,—the local traffic always profitable. The result of that policy was this, that every industry, every enterprise, every material interest throughout the whole country tributary to our line at once leaped into activity and rapid development; this was the reward of our careful nursing of all local interests, and it brought upon us the embarrassment of so large and sudden and continuous growth of traffic that the equipment of 1860 at once became altogether insufficient and failed to enable us to perform the services of the line and to carry the traffic which was offered. Under these circumstances, which fortunately continued unbroken in progress from that date until 1874, when depression came, I say from that time down to 1873 and '74, the continuous growth of the traffic kept us in a condition of embarrassment by insufficient carrying power to serve the country, and it was therefore that we had to do one of two things. We had to apply whatever surplus revenue we possessed to increase our carrying power, alike in duty to the public and in the interests of the Company. We had either to apply surplus revenues to that purpose or to come to the Government from time to time to get new powers for the issue of further preferential capital,—of course to the further postponement of the lien, it was as broad as it was long. If we had done it from new capital it must have further postponed the lien to that new capital.

Q. Did you make an annual return to the Government of the receipts and expenses after this Act was passed in 1860?—We have made no expenditures of that class which have not been regularly reported to the public by our annual statement,—by our half-yearly meetings, and you will allow me to add that not simply the amounts expended but the detail for which they were expended.

Q. Did the Government ever make a demand on you for the payment of interest on this lien?—Never; except so far as the £50,000 bonds were concerned.

Q. Did you come to any understanding with them as to the policy you were pursuing as to expending so large an amount of money as you have stated out of revenue, whether you had an understanding with them that in place of paying over a part of this revenue you had an understanding that you should expend it in that way in place of giving them part of the money?—There was no understanding, but I took it that there was a tacit concurrence by the Government in the policy we were pursuing and that it was much more acceptable to the Government, that it would enable us to attend to the public service of our line without new preferential capital.

Q. You seem to have come to the Government again after this Act that Mr. Palmer was reading. You again raised £150,000; you seem to have "gone back" upon that policy of using the revenues you required in place of getting some more money?—That legislation was by no means independent of the previous policy; that had special reference to the grain traffic of our line and for which it was impossible to make gradual provision, and for which therefore capital became necessary, and you will observe that out of that £150,000, by the Act £50,000 only was new money.

Q. Out of that £150,000 I notice you spent 50,000 pounds in building an elevator?—No; speaking generally, the £50,000 was applicable in the first instance to the construction of the two elevators at Collingwood and Toronto, but in addition to that it provided us with same additional rolling stock of which you will find the details in the accounts published.

Q. Then you paid in 50,000 pounds of it to the Government,—you gave them a bond for that amount?—That is the second occasion when we made an issue to them upon account of interest of the lien.

Q. That was entered on account of interest?—Yes.

Q. The 50,000 pounds more you paid was given for arrears of interest?—£50,000 was paid in reduction of arrears of interest.

Q. What interest was that?—Arrears of interest on the Company's bonds which in up to the time of our reorganization in 1859, had never received any interest. The original bonds of the Company amounting to 233,000 pounds are now represented in second preference bonds.

Q. I understand that this £50,000 which you borrowed in 1868 was to pay in full the arrears of interest that had not been paid at the regular time?—Yes; they then holding the rank of second preference bonds.

Q. In fact paying back interest?—That was provided for by the Order in Council of 1859 and 1860.

Q. And the Government lien was postponed to the extent of this £50,000?—No; they got £50,000 advanced at the same time.

Q. Can you tell the Committee how much money you expended in assisting the Northern Extension Railway up to the time of the lease or up to the time of the amalgamation?—There was no statement handed in of this, but it was brought in in my evidence and you will find that it is some 21,000 or 22,000 dollars, the amount advanced by the Northern Railway Company.

Q. I asked you what amount of money the Northern Railway Company advanced up to the time of the lease?—\$29,973.81.

Q. How much had they advanced to the Company prior to the amalgamation, not including the amount before the lease, how much was it increased on all the open accounts between the two companies?—At the date of the amalgamation the Northern Railway was in advance to the Extension Railway Company \$107,392.65.

Q. That does not include the \$29,973.81, for that amount had been apparently paid off?—This is exclusive of the \$29,973.81 just spoken of, which was repaid in cash on the 21st September, 1872.

Q. Does the amount include the \$16,000 advanced to the Hotel Company?—No.

Q. Then there is \$16,000 additional. You will remember it was charged by your Company to the Extension Company?—This includes a further account between the Extension Railway and the Northern Railway at the date of amalgamation.

Q. Perhaps you would like to explain how that account was passed?—These advances were in conformity with the provisions of the lease. We, the Northern Railway, took a lease of the Extension Line in April, 1872, and amongst other condition of that lease was one that we should guarantee the interest upon their bonds, and that we should see that interest was paid, and that if we made any payments on account of that guarantee, that these payments should be a debit against the Extension Company with interest added until they should be ultimately paid off. The advances paid on account to the Extension Company amounted to \$50,549.84 between the Northern and the Extension, \$26,087.96 being advanced to enable them to complete their works to Severn. It was a matter of absolute necessity: it was not a bad thing for us to get the holders of so valuable a property as the Extension into our debt.

Mr. Bertram:—Mr. Cumberland, you gave some rather curious evidence to Mr. Palmer; I must confess that I could not quite understand it. You stated that the amount of money was paid by your Company to the Sir John A. Macdonald fund and other matters, that it could not or would not have been properly applicable to the payment of the Government lien. Now, the Government lien must have been worth something, I would like some explanation of the evidence that you have given: perhaps I have misunderstood it?—No; I do not think you have misunderstood it. My view of the question evolved by Mr. Palmer is that these expenditures to which he refers, had they not been made would simply have reduced the volume of our floating debt, but so long as we had that floating debt then I apprehend it is clear that there is nothing for the next rank of security.

Q. Your floating debt you stated to be between 20,000 and 50,000 pounds?—It fluctuates. No interest connected with the Northern Railway has been so promoted or advantaged by the policy of our expenditure of surplus revenue than the Government. The whole of that has so fructified that we have been able to pay them £100,000 for their lien;—100,000 pounds in bonds and nearly 70,000 pounds cash in

current interest, making altogether something like a face value of 270,000 pounds repaid on account of the lien which never could have been repaid at all if the property had not been brought up to the value to which our policy has brought it.

Q. I would ask you this question: after paying the first and second preference bonds and the '3 A' and '3 B' bonds, on what account would you then apply any moneys belonging to the Northern Railway?—I should have continued, the policy was to capitalise all surplus revenues in the improvement of the property and the extension of its facilities and thus improve, what has actually come to pass, the value of the Government lien.

Q. Then the Northern Railway property, held as it were by the Government, although it was only the 3rd or 4th mortgage bonds that they held, that property was reduced in value by the amount of money that was improperly expended,—if I may use the term improperly—by any expenditure that was made for other than railway purposes?—I think not.

Q. To what account would you make payment of any earnings of the road after paying interest on your 1st, 2nd and 3rd preference bonds, who is the next creditor?—The next creditor would be the Government lien.

Q. You had paid interest on the Government lien inasmuch as you did give the Government £50,000 of second preference bonds and £50,000 of third preference: were not these paid as interest on the Government lien?—Yes; but not out of the revenues of the road. It is as well to say that they were paid on account of interest, on account of accumulated interest.

Mr. Guthrie:—Do you put the floating debt before the Government lien?—undoubtedly.

Q. Why?—Because the debt had to be paid off before profits are applicable to the lien, because before the lien could take payment the floating debt should be removed.

Q. Then in your opinion the floating debt comes before the lien?—Yes.

Q. And you increase the amount of that floating debt by any improper expenditures: is not that so?—That is a different question.

Q. You increase the amount of your floating debt by any improper expenditures: is not that so?—Yes.

Q. For instance, if you had not given \$2,500 to Sir John Macdonald's testimonial you would, according to your idea, have reduced the floating debt by that amount and so have met a claim that had priority to the Government lien?—Yes.

Q. Mr. Cumberland, on what principle did you pay the interest on the bonds until you had paid what you call the working expenses?—We have not—

Q. You had not done so?—No. You are in error in supposing that the floating debt arose from working expense. We have, for instance, bought more locomotives and more cars, and we have constructed more sidings than our actual or current revenue provided for. It is these works that are represented by the floating debt, and the floating debt is very largely at this moment composed of liabilities arising on the property acquired by the Extension Railway property.

Q. If you gave priority to the floating debt over the Government lien, why did you not give it priority over the first and second preference bonds?—It is surely desirable to protect the foreign creditor.

Q. You do not profess to regard the Act of Parliament—the mode in which the earnings were appropriated by the Act of Parliament; either you did right or you did wrong in paying the interest on the first, second and third preference bonds?—I am not surprised at a jealousy of paying the bondholder.

Q. Do you profess to follow the Act of Parliament in appropriating the earnings of the road?—Undoubtedly.

Q. You do?—Yes.

Q. Did you find that after paying working expenses you had surplus revenues on hand to pay interest on the first, second and third preference bonds?—Yes.

Q. You found that?—Yes.

Q. And you had more than sufficient to do that?—Sometimes, yes, to a considerable extent over a series of years.

Q. And before 1868 you had?—Yes.

Q. Well, you did not pay that surplus to the Government?—No.

Q. Then in 1868 had you a surplus; you paid interest on first, second and third preference bonds?—We have had no real surplus because we have always had a floating debt.

Q. You make the floating debt an excuse for not paying the Government, but you do not make it an excuse for not paying the bondholders. Now, the Act of Parliament does not make any difference?—The difference is that one is a fixed charge and the other is an open current account.

Q. Speaking of the Statute, Mr. Cumberland, I see nothing to entitle the bondholders to have priority to the floating debt any more than to the Government?—The floating debt was on account of capital, and you surely do not mean to suggest that a corporation like mine should suspend these payments on its fixed charges because there is a floating debt on capital account. I repeat, you can find no such policy anywhere among corporations, that it is common as common can be that dividends are properly earned and paid on fixed charges while there is still a floating debt.

Q. I ask you this, Mr. Cumberland: If you had not used the funds of the Northern Railway in contributing to elections, and the other purposes that we know of, it is clear that you could have used them in reducing this floating debt, is it not?—The floating debt, as I said before, would have been so much less.

Q. And there would have been less, therefore, ahead of the Government lien?—You will pardon me for saying, that I feel sensitive on this point, because the Northern is the only railway, and I am the only railway man in the Dominion, that has been able to pay back anything like a substantial percentage of Government aid, and there is a want of recognition of our labours, which you can easily understand—

Mr. BERTEAM objected that the witness had no right to make such statements.

By Mr. Guthrie:—

Q. You admitted that these amounts would have reduced the floating debt?—If they had not been spent.

Q. If they had not been spent in that way, the floating debt would have been less?—Yes.

Q. And, therefore, there would have been a less claim ahead of the Government lien?—Yes.

By Mr. Palmer:—

Q. You say that the working expenses,—you used the term “working expenses;” but in this act, the working expenses defined to mean what would ordinarily be charged to capital; that is to say, re-building and re-equipping of your road; you understand that?—Yes.

Q. You also understand that this Act makes these working expenses working expenses having that meaning, a claim before the Government lien, as well as these other bonds that you have mentioned?—Yes.

Q. Then it would follow from what Mr. Guthrie said, that if you made any improper expenditures, it would of course increase,—it would make your working expenses more than they otherwise would be; that is so?—Yes.

Q. And Mr. Guthrie then asked you how it was you came to pay the interest on the bonds that preceded the Government lien, before you paid all the working expenses, and I understood you to say that because it was necessary to keep up the credit of your Company?—Because the interest on the bonds represents fixed charges, and the Government lien is an open current account.

Q. Would it not be destructive to your Company if these were not paid?—If the credit of our securities had not been maintained, the Government lien would have been valueless.

Q. I want to know whether the non-payment of the interest on these bonds that were held in England, would not have been very injurious to your Company?—Most injurious.

Q. He asked you whether it would not have been the duty after the passing of this Act in 1868 to pay off the working expenses before you paid that interest, but if I understand it right that was a matter that you had to settle entirely with the persons to whom you owed the floating debt; whether you paid the amounts that preceded the Government lien,—whether you paid them or paid the working expenses has it made any difference in the position of the Government. You understand what I mean?—It makes no difference to the Government.

Q. And of course it would be entirely a question between the Company and the persons to whom you owed the floating debt?—Yes.

Q. The Government could have had no interest in that?—No.

Q. If I understand your evidence right, you said that there was no money, even if you had not paid any of these sums, that could have been applied to pay off the Government lien, I mean properly, because it should have been applied to reducing the working expenditures under the Act?—None.

Q. What would have been the general effect if you injured the value of the railway securities; the Government would suffer in common with any party interested in the Railway?—The lien would suffer in common with all other interests.

Q. Then, if I understand you aright, you did not consider with the policy you pursued that any expenditures you made did injure the value of the lien?—Having regard to the circumstances in which I have been placed throughout the whole course of my management I consider the policy I have pursued the best and most productive to all the interests concerned, including the Government lien.

Q. Supposing you had been allowed to charge this to the Railway, the money you subscribed to the Sir John A. Macdonald testimonial and other matters of that description. Supposing it turns out in point of law that you ought to pay that personally, could it by any possibility go to the Government; is it not a matter between the bondholders and others interested in the road?—It would be entirely a matter between the Company and its preferential creditors.

Q. Would the Directors or Stockholders allow this to be taken out of the funds of the Railway as a matter between them and you?—I have not considered the question.

Q. Would you suppose, with their taking the whole of your administration fairly into consideration, that they will sanction this payment. Do you not or do you?—I am able to believe that the administration from first to last, has been exceptionally successful, and that there is no parallel to it in the Dominion.

Q. That is not the point; but, whether as a matter still between you and them you would be personally called upon to pay it?—I am perfectly certain you could not find a single proprietor in my Company who would call upon me to pay it.

Q. You are perfectly satisfied to let it rest between you and them?—Yes.

By Mr. Guthrie:—

Q. You say it is a matter between you and the Company and its preferential creditors?—Yes.

Q. Is not the Government now a preferential creditor for these \$100,000 of bonds that it holds?—I do not mean the preferential creditors as in the nature of bonds but as in the nature of floating liabilities.

Q. I want to know, Mr. Cumberland, if in your opinion you did not postpone the Government lien to the extent of \$2,500 by that payment to the Sir John A. Macdonald testimonial?—I have already said to you that it increased the floating liabilities.

Q. Supposing you had given \$200,000 in the same way, would that not have postponed the Government in the same way?—Of course.

Q. Every copper that you gave away illegally—if it is illegally—every copper you gave away illegally, postponed the Government lien by that amount?—Yes.

The Committee now adjourned till the following day at 10 a.m.

FRIDAY, April 13th, 1877.

PRESENT :

Mr. ARCHIBALD—*Chairman.*

Mr. GUTHRIE, Mr. BERTRAM,
Mr. DEVEBER, Mr. PALMER,
Mr. KILLAM.

Mr. FRED. CUMBERLAND recalled and examined :

By Mr. Bertram :—

Q. How long was the road in operation, Mr Cumberland, before you took the management?—I think some four or five years.

Q. What is the length of track of the Northern Railway proper?—Ninety-five miles.

Q. And you spoke yesterday of adopting as a policy the giving up of carrying through freight; was that through freight from Chicago?—Through freight from Chicago to the Atlantic ports.

Q. And you found that that did not pay?—It did not.

Q. And it was only after going in for a policy of cultivating your local trade that you really brought the road into such a condition that you could pay the interest you spoke of?—By that policy we increased our gross earnings at good rates, whilst at the same time the restoration of our works enabled us to reach a lower standing of working expenses.

Q. How many miles of rails have you now, including the new line?—167 miles.

Q. Does that include sidings?—No; it is exclusive of sidings.

Q. You had a considerable lumber trade, perhaps 12 or 15 years ago, coming down your line?—Yes; one of the chief staples of our line is the lumber.

Q. That trade has been moving backwards into the back country, has it not?—Yes; of course, the lumbering districts get gradually exhausted.

Q. And I suppose looking at it from a Northern Railway point of view, it was absolutely necessary for you, not only to take an interest in it, but to control this new line with which you amalgamated, the Northern Extension?—That was one of the great reasons why we favoured the Muskoka extension, namely, that the lumber upon our line, say from Lefroy to Collingwood was in process of exhaustion, and that the Muskoka district affords a very large territory still untouched, and we therefore thought by extending our line to the foot of the Muskoka Lakes, the waters of which drain some 5,000 square miles, we should more than compensate by the new timber district, for the loss we shall sustain before very long in regard to the old one.

Q. That is the timber of the district the new line is piercing will, in your estimation, be productive of heavy freights for the line?—I think the extension to Muskoka will be of very great value to the Northern Railway.

Q. And can you tell the Committee what kind of a country lies to the north of Muskoka, I mean north of the ridge on which Gravenhurst lies?—The general aspect of the country around the lakes is inhospitable in appearance, but improves north towards Nipissing.

Q. How much did this Northern Railway extension cost you per mile, Mr. Cumberland?—\$19,977.

Q. That is, of course, exclusive of any rolling stock?—That is the railway without the equipment. That price, of course, includes discount upon debentures, preliminary expenses and everything else connected with the undertaking.

Q. Can you tell us what it cost to build the railway—what the actual cost of it was per mile?—The actual cost completed was \$24,528 per mile.

Q. Then in amalgamation you made a profit of the difference out of the extensions road?—Whilst you are upon that point I may say that before entertaining the suggestion for amalgamation the Northern Railway Directors had the extensions road examined and reported upon by two engineers, Mr. Walter Shanly and Mr.

George Lowe Reid, and a valuation for the guidance of the Directors was made by these gentlemen at \$27,341 per mile.

Q. There were large bonuses given to this Company by the municipalities; can you tell us what it amounted to per mile?—All the public grants being bonuses and Government subsidies amounted to \$421,746, being at the rate of \$5,785 per mile.

Q. When you spoke of your floating liabilities yesterday, Mr. Cumberland, were they paid off in 1860?—The debt that existed prior to the Order in Council of 1859 was paid off from moneys raised under authority of that Order.

Q. So that you started with a clean sheet in 1860?—Yes.

Q. Can you tell the Committee what the amount of your floating liabilities were in 1868, when you came to Parliament again?—I could not say, but in the absence of working capital we always had a floating liability on revenue account representing bank accommodation and the like.

Q. That is you mean the ordinary liability that any business or railway would have; was there a floating liability of any other kind; had you a liability for interest on any of your debentures in 1868?—I am not sure.

Q. Were not you in the habit of giving debentures for back interest on any of your bonds—interest that was not paid?—No; we never did, except in the case, and under the authority of the Act of 1859, and then instead of paying up the arrears of interest in cash the arrears of interest were capitalized and took the form of arrears of interest debentures.

Q. I suppose you hold that this was one of your floating liabilities in 1868?—It was a floating liability, but we settled that in that way.

Q. With the money that you received in 1860 you could only pay interest on the second preference bonds up to a certain amount—that is, up to the amount that you really received from the preference bonds in cash; can you tell us what that amount was; I suppose you have it in your books somewhere—the amounts that you paid interest on?—We have paid interest on the whole amount; I know of no reduction from the nominal or face value.

Q. What were these arrears of interest debentures for, Mr. Cumberland; what did you issue them for?—We issued them—if you refer to the Act of 1860 or the Order in Council in August, 1859—you will find it explained that we were authorized to issue arrears of interest debentures, being a capitalization of accumulated and unpaid interest upon the Company's original bonds.

Q. That was paid in 1860?—That was done in 1860.

Q. Then it was the arrears on interest on the present second preference bonds that you capitalized and paid in 1870?—Yes; we did not then pay; we never paid interest upon the original arrears until under authority of the Act of 1868, these arrears of interest debentures were issued to the amount of £50,000, which, with the £10,000 bond we gave to the Government, was put into the form of third preference bonds, class B.

Q. Then you made a mistake in saying that you paid interest on the second preference bonds for the face value?—I said the first preference bonds.

Q. You did not pay interest on the first preference bonds from the time they were made?—Yes, from the time they were issued.

Q. I want to point out a clause in the Act which only gives it power to pay interest, as I understand it, not on the face value of your second preference bonds, but on the amount of them; it only gives you power to pay interest on an amount equivalent to the value you received for them?—No, you are quite wrong; the application of that clause is limited to a small amount of mortgage bonds which, prior to 1857, had been sacrificed, as we thought, at an improper discount, and therefore when, under that Order in Council, we came to make provision for arrears of interest, we only met arrears of interest in regard to these mortgage bonds to the extent of the actual cash payments upon them, and we postponed the balance of the interest, that is the interest due upon the discount, so that it does not in the slightest degree affect the second preferences; it only affects a small amount of mortgage bonds which we regarded as piratical.

Q. I asked you to give us the amount of the second preference, the amount upon which interest would become due?—£233,749 14s. 6d.; that sum was increased by the £50,000 given to the Government.

Q. The face value of the second preference bonds in 1860 was £233,749 14s. 6d. these were put in the position of preferences to the Government lien at that time, but only to that amount for which you received cash for these bonds?—That does not affect that class at all, it only affected a very small issue just prior to 1857, which, in the difficulties in which the Company was then placed was sacrificed at a very large discount. I wanted you to understand clearly that this does not refer to the class of second preferences. There was a balance of the mortgage bonds that we did not allow to take priority of the lien, that was an entirely different issue from what is now known as the second preference bonds which went upon the London market very little if any below par, and the Order in Council does not refer to that. The Order only refers to a small amount of what is known as mortgage bonds issued by the Company when it was in extremis. On the first of January, 1861, our return shows our first preference bonds, £250,000; second preference bonds £233,837 16s. 8d. then to be issued to the Government under the Order in Council £50,000 making a total amount of second preference bonds £283,837 16s. 8d.; then there is interest arrears on the Company's bonds, that is on what just now has been stated as second preference bonds £13,434 8s. 4d.; then finally we come to the item of your enquiry, viz: the balance of the bonds not entitled to priority, £9,901 17s. 10d., which amount was regarded by the Government and ourselves at the time of the passing of the Order in Council as representing so extravagant a discount that it ought not to be allowed to go up in front of the Government lien, and therefore it was left and is now known as in the form of "bonds not entitled to priority."

Q. That was, as I understand you to say, that this £9,901, 17s. 10d. was the amount of this bond that was not entitled to priority?—No; that represents the discount on these mortgage bonds issued prior to 1859, because the Finance Minister at that time said, "what is your issue of mortgage bonds?" "so much," and "what is the discount?" and the discount was so much that we regarded it as piratical and the whole amount of the discount was remitted into a position of "not entitled to priority."

Q. Was that the whole amount that you considered entitled to go behind £9,901 17s. 10d.?—Yes.

Q. Of course when you speak of the second preference bonds I understand there was no question about them because they were only to be issued in taking up these original first preference bonds as you could pay their face values at any time?—Yes. The second preference was a new issue with which to take up the old first preference bonds, together with the cash which had been actually advanced upon a certain number of mortgage bonds and they together formed the sum of second preference bonds which I have already given you.

Q. Well, then, the interest on this £9,901 17s. 10d. was allowed to accumulate until 1868. You did not pay it up?—It has never been paid; it stands behind the lien.

Q. You issued no interest debentures to that holding?—I think not.

Q. What were the interest debentures for that floating in 1868?—Do you mean the £50,000.

Q. What were the interest debentures for?—The interest on arrears; they were for arrears of interest due in 1859 upon the original issue of the Company now in the form of second preference bonds. Up to that date the Company had not paid a single shilling of interest to the bondholders. From the date of the issue down to the date of the Order in Council not a sixpence had ever been paid, and it was that interest which had accumulated at that date, and to that amount that was capitalized and put into the form of arrears of interest debentures under the Act of 1868.

Q. As you had not earned interest on your original bonds before 1860, of course you could not pay it. The charges, therefore, of that back interest came after the Government lien?—At that time, clear.

Q. Then the effect of the Act of 1868 was this: that it allowed your Company to pay the bank interest on the original bonds that had been issued prior to 1860 and postpone, if I understand it, the Government lien to the payment of that old interest; was that the effect of it?—I rather think our sympathies are as much due to the bondholders as to the Government lien, as both had been running up to that date without any payment of interest.

Q. Was that the effect of the Act, Mr. Cumberland?—Clearly the effect of the Act of 1868 was to give priority to the arrears of interest capitalized by the Act of 1859-60, under the conditions of which, notwithstanding that the then bondholders had never received a shilling of interest they doubled their investment and put in a new £250,000. Now, the Government has never put in a shilling of new money from the time that the original lien was first created, but the bondholders have put in £250,000 of new money, on condition that they should take the first rank and on the condition that the arrears of interest then accumulated should be placed in the form of interest debentures. It was a well understood and a most advantageous bargain for the country.

Q. I asked you if it was not the effect of this Act of 1868 that the interest due on these old mortgages which were floating prior to 1860, if that interest did not clearly come before the Government lien?—It had not been paid.

Q. But in 1868, if I understand the Act at all, it clearly put you in the position that it allowed you to pay the interest on the old mortgage or the back interest, and it therefore postponed the Government lien to that amount?—No; it did not postpone the Government lien to that amount; the method of that bargain was this: The Company requires to issue £50,000 of bonds for new money, another issue for new money must come in front of the lien; then the opportunity was taken to repeat somewhat the operation of 1859, and the bondholders again say we will find this £50,000 of new money provided you allow our arrears of interest debentures to come up into the same rank with it. The reply of the Government was “for every pound of arrears of interest you get paid we must have a pound,” and the consequence was that both the arrears of interest on the previous bonds to the extent of £50,000 and the arrears of interest on the lien to the extent of £50,000 were both brought up into the rank of third preference bonds “B.”

Q. You got authority by this Act of 1868 to borrow, £50,000 to build elevators and other works, and gave a £50,000 bond to the Government, and on account of your bondholders advancing this £50,000 in cash to enable you to build the elevators, the Government thought fit to allow you to place before their lien the amount of £50,000 of back interest, which you considered you owed them prior to 1860?—No; not at all. I take an entirely different view. I say that the Government allowed £50,000 of arrears of interest debentures to come up into the third preference rank, on condition that they also brought up their arrears of interest to a like figure so that the Government got £50,000 at the same time that the arrears of interest of £50,000 was brought up, so that it cannot be said that the Government lien was postponed.

Q. Have you paid interest on these “3 B” bonds?—Yes.

Q. Had you in 1859 earned the interest on these bonds that were floated in England prior to that?—None.

Q. Therefore it could not be paid?—No.

Q. The arrears of interest that you owed on your bonds was included in this £243,739 14s. 6d.—the figure that is named in the Act of 1860?—Certainly not.

Q. Then that is the amount of principal, and if you deduct the £9,901 17s. 10d. from that amount you have the exact amount that has priority before the Government lien?—No; the £9,901 17s. 10d. is already excluded from the £233,837.

By Mr. Archibald:—

Q. As a matter of fact did the bondholders find £50,000 of cash that was required and for which bonds were issued in 1868,—“3 A.” bonds?—As a matter of fact, yes, in regard to the larger portion of that sum.

Q. Were they disposed of in England?—They were disposed of in England, but not by a market issue, because they were only issued from time to time.

Q. At what rate were they issued?—At 60.

Q. Is it not a fact that a portion of them were sent to England in return for a certain amount of second preference bonds which were sent out in lieu of them?—No; not to my knowledge.

MR. ARCHIBALD: I asked because I saw an entry that left that impression on my mind.

By Mr. Bertram :—

Q. Mr. Cumberland, the amount then to which the Government lien was postponed in 1860 was £234,837 16s. 8d., and the £250,000 additional of first preference bonds; that is the amount?—Yes; the property was gone, and new money had to be raised by some one, and the bondholders raised it.

Q. The Government lien then was postponed for the arrears of interest you owed on these bonds at that date?—Certainly not.

Q. I thought the Government lien was postponed to the "3 B" bonds?—The "3 B" bonds include £50,000 of interest due on the Company's original issue, and £50,000 of interest due on the Government lien, both were brought up together—they rank *pari passu*—and the lien was postponed to both.

Q. Well, you say you paid interest on the third preference bonds; was it "3 A" or "3 B"?—On the "3 A" we paid interest from the date of issue.

Q. Did you pay any on the "3 B"?—We paid after the period necessary to effect the exchange.

Q. You effected the exchange in England?—Yes.

Q. How long was that after the issue?—I should say from six to twelve months.

Q. Are you paying interest on them now?—Yes.

Q. You paid interest on the other "3 B's"?—Yes; we paid interest on the other "3 B's," on the whole of the "A's" and on part of the "B's."

Q. Under Section nine of the Act of 1868 provision is made that the "3 B" bonds shall not rank for interest until the proceeds of the "3 A" bonds had been actually expended for the purposes of the Act. Well, the amount must have been expended when you paid the interest on the "3 B's"?—No; we have had a residue of "3 A" bonds unappropriated, still unissued.

By Mr. Archibald :—

Q. Is that the reason for not having paid the interest on the "3 B's" held by the Government?—Well that, together with the fact that we have issued no bond to the Government, and we have not been invited by the Government to pay on it, whilst in the Act of 1875, having reference to the extinction of the Lien provision, is there made for the accrued interest on the second preference bonds and nothing said about the interest on the thirds.

By the Chairman :—

Q. Then it would appear that after all the so-called advantage given to the Government in 1868 was more illusory than anything else; that they were not placed in a better position than before so far as the receipt of money is concerned?—I do not agree with you.

By Mr. Bowell :—

Q. The Government holds £100,000 bonds of the road now?—Yes.

Q. They never put these in the market?—Never.

Q. And you have never paid them any interest?—Yes; always on the seconds.

Q. Have you kept the interest paid to the Government with punctuality?—They have been paid up on the second preference bonds, but not on the thirds.

Q. What is the proportion?—They are both alike £50,000 of each.

By Mr. Bertram :—

Q. You say you did not pay any interest on the "3 B" bonds held by the Government?—No.

Q. And you have not been invited to do so?—No.

Q. You could have paid them if you had been asked. It was in your power to pay them?—It would have been excessively inconvenient.

Q. You have a part of this £50,000 that you borrowed for building the elevators in 1868 unexpended. Can you tell us how much you have unexpended?—I could not say, but I am under the impression some four or five thousand pounds sterling, which we have lodged as collateral.

Q. You issued the bonds for the full amount?—Yes; and we have lodged some of them as collateral, that is of this "3 B" bonds.

Q. Did I understand that it is in a single bond of £50,000?—We have never given a bond for it yet; we have never been asked for it.

By Mr. Bertram:—

Q. After this Act of 1858 you went on with the same policy you had pursued on your road of expending the surplus earnings on new works and rolling stock?—Yes.

Q. A policy you considered for the well-being of the road?—The policy forced upon us by the continuous expansion of our traffic, and the necessity for further facilities. No progressive railway can be worked without continuous investments every year from one source or another; you cannot stop the extension of a railway that is in a progressive country.

Q. Well, Mr. Cumberland, there is a part of the enquiry yesterday that I was going on with. I want to ask you if the moneys contributed by your Company for election funds and similar purposes had not been paid, the amount would have been available to purchase rolling stock or new works, or it would have been applicable to pay interest on these third "B's" of the Government, or it could have been paid out to reduce the Government lien?—Speaking of the interest the Government may have to-day in these expenditures, I say that if the Government be entitled to the balance of the interest on the third preference bonds which it holds, but which has never been issued to it, that being done, there is absolutely no claim; whatever may happen in the future, the lien is to-day absolutely extinguished by force of Act of Parliament.

Q. I know it is extinguished, but I want an answer to my question?—The Government were aware of all these expenditures before they took our money.

Q. I ask you if these moneys had not been paid out for election purposes, or for kindred objects, would the money not have been available to increase your rolling stock or in building new works?—The money would not have been available seeing that we have always had a floating debt.

Q. Mr. Cumberland, I must say to you that I do not think that a very ingenious answer, and I will tell you my reason for saying so. You stated to the Committee that during this period you were carrying on your former policy of expending your surplus earnings in new rolling stock and new works; and I ask you if the money you expended for these other purposes, if you had kept it would it not have been available to increase your rolling stock and new works. Would it or would it not?—You say my answer is disingenuous because you are not sufficiently well acquainted with railway work.

Q. I ask you the question: Would it, or would it not?—It stands thus: That money would not have been available, because we had at the time a floating debt, and a floating debt arising in connection with the equipment and works, represented not merely by the policy to which you refer, but represented also by the floating debt.

The following question, previously asked, was read over to witness, with his answer thereto:—"Q. I ask you if these moneys had not been paid out for election purposes, or for kindred objects, would the money not have been available to increase your rolling stock, or in building new works?—The money would not have been available, seeing that we have always had a floating debt?"

Mr. Cumberland: Precisely.

By Mr. Bertram:—

Q. You were expending a part of your net earnings; you bring in this question of floating debt very unnecessarily. You were spending, as you stated to the Com-

mittee, all your surplus earnings on works and rolling stock. Did you not earn that?—Yes; we were spending more than our surplus earnings and making a debt. In one half year we carried forward the sum of \$71,000 unprovided for by surplus earnings, and representing a floating debt on account of new works and equipments necessary to the growing traffic.

Q. Your floating liabilities for conducting your business were payable before you paid any interest even on first preference bonds?—No; they are not.

Q. Then, suppose I sell 100 tons of iron to the Northern Railway Company, you do not consider that you would owe that, and be obliged to pay that as a debt before you paid your bondholders anything?—I say, if on the first of July next ensuing, that the interest on our debentures falls due, and we are then owing, as we shall be, some \$50,000 for rails, that we shall disregard the temporary floating debt on the unpaid account for the rails, and we shall pay the interest.

Mr. Bertram: That is not the question.

Mr. Boulton objected that this was a question of law, and that he did not think the witness should be asked to construe a question of law.

By Mr. Bertram:—

Q. I understand, Mr. Cumberland, the first amounts to be paid by your Company are the ordinary debts of the Company incurred in running the Company's business?—Ordinary working expenses.

Q. The ordinary debts of the Company incurred in running the Company's business: I understand that this is the first claim that must arise?—The Act does not say debts, and I do not assume debts; ordinary working expenses.

Q. Well, you had a floating liability on these working expenses?—Of course we have; because we have had accommodation, but our floating liabilities are mainly on account of capital works.

Q. If at the time you make your balance sheet you owe your clerk \$100, that is a liability?—Certainly.

Q. That is his charge upon the business?—Certainly.

Q. Do you not consider that the amount which you expended on new rolling stock—which in one half year amounted to \$71,000—do not you consider an expenditure of that kind as an amount which, if your company were to go into insolvency, would really be paid prior to any of the proprietors of the railway company getting anything?—I should say so.

Q. And in reality any debts which your company incurred after the ordinary business of the company would be a claim prior to any other?—There are differences of opinion about that, Mr. Bertram, as to what a mortgage of the railway covers—that is to say, how far a creditor can go upon a mortgaged railway.

Q. Even for such debts as you incurred, these debts were incurred for working expenses?—The debts incurred for new works and equipments are not incurred as working expenses. If you draw a line between actual maintenance and adding to the property by additional equipments and works, you will find that the floating debt connected with the one is quite different from the debt connected with the other, and are not both to be spoken of as within the working expenses.

Mr. Boulton: It is a matter of doubt between lawyers as to what the working expenses are.

By Mr. Bertram:—

Q. It seems to me, taking the ordinary view, that your Company was liable for all debts incurred in the progress of your business?—You were suggesting the event of our going into insolvency; then, I say there is grave doubt as to the possibility of entering on a property already mortgaged. I know there is quite an issue of opinion about it.

Q. Still, as a matter of fact, the amounts which you expended year by year out of the earnings of your road for these new works and for this new rolling stock and improvements, the amounts which you spent in these improvements, independent of the earnings of your road, being for the maintenance of the road, and perhaps for the better equipment of it, I suppose there can be no reasonable doubt that this is really

a charge—that this is a debt of your road that you ought to pay, if the necessity arose, prior to any other?—That is the difficulty; there is no doubt about our being obliged to pay it in some way or other, but whether it should come in in front is another question. Our present Bill makes provision for it.

Q. This floating indebtedness for these purposes, if you had not paid these moneys for these election funds and for other purposes, would this floating indebtedness not necessarily have been reduced by that amount?—Yes.

Q. What amount of money did you employ to subsidize or purchase steamboats?—The only steamboats in which the Company is interested is the “Chicora” in the way in which you know from the proceedings of the Royal Commission, and the “Emily May” on Lake Simcoe.

Q. How much has your Company in the latter?—That was taken over at the time of the amalgamation at the face of the mortgage, \$15,000.

Q. Who held the mortgage?—I think the mortgage was originally made to Mr. Howland.

Q. Had you any money invested in this steamboat before amalgamation?—No; none. It was a purchase that was made from Captain May, and carried by the Extension Company until amalgamation.

Q. By whom?—It was a purchase made from Captain May when the extension lines came to be opened, as the steamer was running in competition with the railway, made by Mr. Howland for the Extension Railway, and he subsequently transferred the steamer to us.

Q. You did not subsidize any other steamboats?—We subsidized the Lake Superior steamboats for a good many years.

Q. Your Company had no interest in any other steamboats?—No.

Q. Did your Board guarantee a rate of interest to the Couchiching Hotel Company and the shareholders?—The conditions upon which the original share list was originally made was that the Northern should guarantee interest at the rate of 6 per cent. upon a limited amount of stock for a certain number of years. The first subscription list contained a condition that the Northern Railway should guarantee interest at the rate of 6 per cent. per annum, upon a limited amount of stock—I think \$18,000 or \$20,000—and for, I think, seven years.

Q. This has passed your Board, you say?—Yes.

Q. Well, was that minute of the Board ever acted upon?—That was never acted upon, because I was subsequently advised that such a guarantee was worth nothing, that it was illegal. In the meantime, however, the stock had been subscribed and calls had been paid upon it.

Q. Probably then, Mr. Cumberland, that accounts for your Company assisting the Hotel Company. Was it not that you were not able guarantee any interest to assist them in a measure, to go on with their works?—Yes.

Q. You know, Mr. Cumberland, that Mr. Campbell, who was examined here, made a statement that was a little contradictory to your evidence. He said that he had no conversation with you at the time that you paid the \$500 to the election fund in 1872, that you wrote him a letter offering to subscribe to the fund—

Mr. Archibald: And also offering to supplement the subscription by another equal amount, if Mr. Campbell saw fit to apply to Mr. Foreman, the book-keeper?—I think that is the purport of Mr. Campbell's evidence.

By Mr. Bertram:—

Q. Have you any statement to make about that; do you adhere to your statement that it was by conversation with Mr. Campbell?—I do adhere to my last statement, viz., that, in the absence of Mr. Campbell's denial, I should still believe that interviews were held and conversations passed between him and me upon the subject of the two subscriptions.

Q. You stated that you had a good many conversations with Mr. Campbell at different times, on kindred subjects, I think that is your evidence. Can you charge your memory with any other subscriptions now?—I could not charge my memory with other subscriptions nor can I actually name the dates to you; but my conviction

is clear that my memory is better than Mr. Campbell's, that we have had frequent interviews. I have made personal subscriptions to and through Mr. Campbell and others, independently of those which I subscribed as the representative of the railway, and I further say that to my knowledge or recollection I have made no subscriptions or contributions of that class, nor have I ever volunteered any contributions or subscriptions of that class which have not been made on invitation, and in previous concert with others.

By Mr. Killam :—

Q. Were these subscriptions of so large an amount as to warrant Sir John and other persons who were drawing upon you for election expenses in thinking that these drafts could be all your personal subscription?—There was such a difference in the amounts that I should think there could be no confusion.

By Mr. Bertram :—

Q. I understand that the \$2,000 note that Mr. John Beverly Robinson got from your book-keeper was not by your authority?—No.

Q. And that on coming home from New York I think you swear you spoke to your book-keeper about the matter, and spoke to him in the sense that he had been wanting in a proper sense of his duty in giving that note without your authority?—Upon the circumstances coming to my knowledge and at the first subsequent interview with the Secretary I reprimanded him for acting in disobedience of my orders.

Q. Have you any recollection of any conversation with Mr. Robinson in your own house on the night before you left for New York?—I do not think I went to New York at that time; I think I was at home.

Q. Have you any recollection of any conversation with Mr. Robinson about the drawing of a sum of this amount, about \$2,000, and getting a note for it? I want to know if you gave any authority to Robinson to make a draft of this description?—I recollect a conversation, I think, prior to the date of the note, but if Mr. Robinson understood me to assent to the issue of the note, it was a complete mis-conception.

Q. It was not with your authority that he got some of these other notes that he got which are included in his overdrafts?—Yes; I assented to some but not all of these.

Q. And of the others that you did not assent to?—I do not think that I dissented in relation to other notes, but I think I dissented in relation to drafts.

Q. Drafts made by him?—Yes.

Q. Upon yourself?—Upon the Company.

By Mr. Killam :—

Q. Who signed the Company's notes?—I did and the Secretary.

Q. Who signed this \$2,000 that Mr. Robinson got?—Myself and the Secretary.

Q. Then you left blank forms already signed?—Yes; at that period the President was not a signing officer.

Q. You left blank notes signed?—Yes.

Q. And your Secretary filled up one to give to Mr. Robinson?—Yes; I always leave in the hands of the Secretary a sufficient number of cheques.

(Signed) FRED. CUMBERLAND.

TUESDAY, 20th March, 1877.

Committee met.—Mr. ARCHIBALD in the Chair.

Hon. D. L. MACPHERSON, Senator, sworn and examined.

By Mr. Guthrie :—

Q. It is said, Mr. Macpherson, that you received, on the 14th of January, 1871, a cheque from the Northern Railway Company for \$2,500?—I am not sure about the date; but I did receive a cheque of the Northern Railway Company for that amount.

Q. About that time, I suppose?—I presume it was.

Q. For what purpose was it paid to you—was it a personal debt?—No; it was paid to me as the subscription of certain gentlemen, directors of the Northern Railway Company, towards the Sir John Macdonald testimonial.

Q. You, I believe, were treasurer of that fund?—I was.

Q. To what purpose did you apply the cheque?—I applied it to the fund.

Q. To the testimonial fund?—Yes.

(Cheque produced).

By Mr. Palmer:—

Q. Is that the cheque?—Yes.

By Mr. Guthrie:—

Q. It is a cheque dated the 14th of January, 1871, on the Bank of Toronto, "Pay to the Hon. D. L. Macpherson or order, twenty-five hundred dollars. Thomas Hamilton, Treasurer; Fred. Cumberland, Managing Director." A cheque of the Northern Railway Company, and across the cheque are the words, in red letters, "Special Account." I notice, Mr. Macpherson, that that cheque is not payable to you as treasurer, nor is it endorsed by you as treasurer?—No; it is endorsed as it is made payable; but it was given to me as treasurer, and the proceeds handed over.

Q. But there is nothing on the cheque to show the purpose?—I do not say that there is.

Q. You said it was in payment of the subscription made by the directors?—I said it was in payment of the subscriptions of three gentlemen—directors; they were all directors of the Company.

Q. Who were they?—There was the Hon. John Ross, the Hon. John Beverley Robinson and Mr. Cumberland.

Q. Did they subscribe as directors?—No; There was nothing special in their subscription.

Q. Was it a joint subscription by the three?—No; separate.

Q. How were the amounts separated?—Two of a \$1,000, and one of \$500—Mr. Ross and Mr. Cumberland each, \$1,000; and Mr. Robinson, \$500.

Q. Did they subscribe, or rather, did they add to their signatures the word, "Director," or "for the Company"?—No; nothing special, as I just stated.

Q. But who procured the subscription—that subscription or these subscriptions?—I remember the subscription by two of the gentlemen, by Mr. Ross and Mr. Robinson. To the best of my recollection, they subscribed in my office—came to my office and subscribed. Mr. Cumberland's subscription—the act of his subscription—I do not recollect at all.

Q. You recollect that two of these gentlemen subscribed together?—No, not together.

Q. At the same time, I meant?—No, not at the same time; to the best of my recollection at different times.

Q. How was it understood at the time—that is, was it understood as an individual subscription or a subscription by the railway company?—As well as I can recollect the facts, the gentlemen said to me after they had subscribed—each of them; they were at different times—Mr Cumberland will pay that to you.

Q. Do you remember whether Mr. Cumberland himself had signed the list before that—before either Mr. Ross or Mr. Robinson?—I can hardly speak positively on that point. My impression is that he did sign before.

Q. Was Mr. Cumberland's subscription to be paid by the Northern Railway Company?—As I just stated, I do not recollect Mr. Cumberland's actual subscription. I do not recollect the circumstances of his subscribing; when it was done nor where it was done.

Q. What is your impression. Did you understand at the time that it would be paid by the railway company?—I do not think that anything was said to me on that subject.

Q. Before any of those gentlemen had signed the list had you applied to them?—I think not.

Q. Invited them to subscribe; or had you invited Mr. Cumberland on behalf of the Company to subscribe?—No; I never did that.

Q. Did you invite or ask any of the gentlemen to subscribe on behalf of the railway company?—I asked them to subscribe, I have no doubt; but I do not think I asked them to do so on behalf of the railway company. I have no recollection of having done so, and I do not believe I did.

Q. When Mr. Robinson and Mr. Ross said "Mr. Cumberland will pay it," I suppose you did not expect, did you, that Mr. Cumberland would pay it individually?—I did not ask them anything about that.

Q. But did not you understand by their saying Mr. Cumberland would pay it, that he would pay it out of the funds of the Northern Railway Company?—They did not give any explanation on that subject; but I do not think I asked them. What my impression may have been at the time, I can hardly recollect. I have no hesitation in saying this: that if they had told me so, I would not have thought there was anything wrong in it—I would have taken the cheque. But I have no recollection of their having said anything of the kind.

Q. Were all these gentlemen in a position to pay these subscriptions out of their personal funds?—Really I was not in their confidence in respect to their finances.

Q. You do not know?—I do not know.

Q. Were the subscriptions not of a large character?—They were liberal subscriptions.

Q. Were they not very liberal, considering the circumstances of the parties?—Well, I do not know that they were. Mr. Ross was in very good circumstances. Mr. Robinson, was of course, President of the Company.

Q. Mr. Ross was in good circumstances?

Objected to by Mr. PALMER, as not being a question with reference to a fact in this case—as being a question in regard to a matter of opinion.

Mr. GUTHRIE thought he had a right to ask what Mr. Macpherson understood at the time on that point; and also, whether the witness was aware that the circumstances of those gentlemen were such as to enable them to pay their subscriptions or not.

A. I had no information on the subject.

Q. You know then, what Mr. Ross' reputation was?—Yes.

Q. Well, how did you know about the reputation of the other gentlemen; did you think Mr. Robinson and Mr. Cumberland were reputed to be wealthy, or not?—I do not think they were.

Q. Were they not reputed to be hard up?—Not to my knowledge.

Q. Then, although you know they were not reputed to be wealthy, you say that the amount of their subscriptions was not very liberal?—I said their subscriptions were liberal.

Q. Did you not consider them very liberal if they were to pay them individually?—I dare say I did; a great many of the subscriptions at the time were very liberal.

Q. Now, I put it in this way:—If they were to pay that individually, from what you knew of their circumstances, did you consider them very liberal?—Perhaps I did. I do not wish to evade anything in this—nothing in the world. Whatever impression I may have formed at the time, or if I formed any impression, if I am to say what passed through my own mind, it is likely that I did suppose their subscriptions was for the Northern Railway; but I did not know it. I have no doubt whatever that my impression was that when three Directors subscribed, although they subscribed separately, the subscriptions would be paid out of the Northern Railway; but I had no positive information.

Q. But you became certain of the fact when you got the cheque?—No I did not think that added to the circumstances. I did not know what these gentlemen's arrangements were with the Northern Railway. I did not know but Mr. Robinson's subscription would be paid out of his salary.

Q. But you knew what Mr. Ross' circumstances were?—I knew he was a Director

of the Railway; but I did not know what his circumstances were. He said, "Mr. Cumberland will pay you that subscription."

Q. All you knew at the time then, was that you were getting a cheque from the Northern Railway Company?—Yes. In payment of the subscriptions of the three gentlemen named.

Q. Was it said to be a subscription by the Company?—Oh no; I told you that the subscriptions were individual.

Q. But at the time you got the cheque was it referred to?—Not that I recollect.

Q. Where was the cheque given to you?—The cheque was given to me in the Northern Railway office.

Q. Had you gone to the Northern Railway office to get the cheque?—I did.

Q. Whom did you see there?—Mr. Cumberland, to my recollection.

Q. And I suppose asked him for a cheque for \$2,500?—Yes; I asked him for a cheque for the subscriptions of the three gentlemen, himself being one of them, and told him that the other two gentlemen told me he would pay their subscriptions, which he did.

Q. Where you aware that this amount was charged to you in the books of the Railway Company—to you personally?—No; I had no knowledge about it until I saw it in the evidence of the Commission.

Q. Was the cheque prepared before you arrived at the office?—I really do not know.

Q. This voucher or order dated 14th January, 1871, is said to be the order upon which that cheque issued; did you see it before?—I have no recollection of it. I did not see it.

Q. I thought likely it was prepared in your presence as the cheque was not prepared before you arrived at the office that day?—No; I have no recollection of ever having seen that. My impression is very strong that I never did see it.

Q. At the time you received the cheque did you consider it a contribution by the Railway Company or a personal contribution by those gentlemen?—I considered it the payment of the subscriptions of these gentlemen. As to whether it was the Railway's or their own, as I said before, if I formed my impression upon it, it may have been that it was paid by the Railway Company, but I have no recollection on the subject.

Q. You said, I think, that your impression was that it was a subscription on behalf of the Railway Company?—I can only repeat what I said already, that it was the payment of those subscriptions by the Railway Company.

Q. And that the subscription then was on behalf of the Railway Company; that would be your impression right or wrong; of course it was paid clearly by the Railway Company?—Yes, it was paid by the Railway Company.

Q. But it might have been charged to those gentlemen individually?—Yes.

Q. Might have been paid on account of what the Company owed them?—Yes.

Mr. PALMER and Mr. McCARTHY objected to the witness being asked what his impression was.

THE CHAIRMAN—I think there can be no objection to Mr. Guthrie asking what Mr. Macpherson's impressions were at the time. Mr. Macpherson can then answer or not as he sees fit.

Mr. PALMER—It is not material to this enquiry what his impressions were.

THE CHAIRMAN said the evidence would just be taken for what it was worth.

By Mr. Guthrie:—

Q. At the time you got the cheque, Mr. Macpherson, did you consider it was a contribution on behalf of the Railway Company or not?—It is very difficult to recollect facts, still more difficult to recollect impressions, and I cannot recollect positively what impressions I had. But if I had any impression it probably was what I said before.

Q. What you said before was that you understood it to be a contribution by the Railway Company to the testimonial?—I have no definite recollection.

Q. What was the order of these gentlemen's names on the subscription list?—I already told you that I am not sure about the order of Mr. Ross' and Mr. Cumberland's. I think Mr. Cumberland's was first, but I am not positive of that. I am certain they were both before Mr. Robinson's.

Q. Did any other names intervene?—Yes; I think so.

Q. The three were not together?—No. That I am quite certain of.

Q. Have you referred to the list lately to refresh your memory?—No, I have not.

Q. When did you see it?—Oh, not for months. I saw it last at the time that the Commission was issued.

Q. That would be last autumn?—Last summer. I was leaving for England at the time.

Q. The list then is in existence is it?—It probably is.

Q. To whom, Mr. Macpherson, did you pay over this \$2,500?—I paid it over as part of a larger sum to the trustees of the fund.

Q. What were the names?—Colonel Gzowski, Senator Allen and Colonel Bernard.

Q. Did you retain the list in your possession?—I did.

Q. It is in your custody yet—your possession or control?—I dare say it is.

Q. Have you it in Ottawa?—No.

Q. Where is it?—I do not feel called upon to give any information respecting it further than what concerns the Northern Railway enquiry.

Q. Of course I do not presume to ask anything further than that?—Upon that you shall have all the information I have.

Q. I do not presume to enquire further than what concerns this payment. You have not seen it since last July; is it possible you may have mistaken in regard to the way these names are entered, not having seen the list since last July?—I did not say positively because I do not recollect positively as to the order in which Mr. Ross' and Mr. Cumberland's names appear. I told you they were both before Mr. Robinson's; but which of them is first I do not recollect at the moment. They were not taken at the same time, I know.

Q. Would you have any objection to produce the part of the list containing these names?—I would have no objection to looking at the list and telling you the order they are in.

Q. And give the Committee a copy of the entries—the mode in which the names are put down and the amount?—Those three names I would give the Committee the order of.

By Mr. Palmer:—

Q. And mark the number of names intervening?—Yes.

By Mr. Guthrie:—

Q. Would you produce the list itself to the Committee?—No.

Q. You decline to do that?—I decline to do that; because there are the names of others upon the same page which have nothing to do with the Northern Railway Company.

Q. Had you shown these lists to anyone?—I do not think anyone except myself has ever seen the whole list.

Q. Has anyone except yourself ever seen that part of it containing the entry of these subscriptions?—I do not know. It is possible that I may have shown that, but I do not recollect having done so.

Q. I do not mean to those who signed it, for anyone who signed it might see the names of those above?—I do not think I ever showed the complete list to any person.

Q. I mean after the list was completed, did you show it to anyone?—No; I do not think that I showed the completed list to anyone. Not that I recollect. Indeed I am quite sure that I did not.

Q. Were these subscriptions voluntary, or did you solicit them?—Has that anything to do with the Northern Railway Company.

Mr. BOWELL objected.

MR. GUTHRIE—I am asking about the railway subscriptions; I am not talking of anything else, I beg your pardon. Were they solicited or voluntary?—As I have already stated—the act of Mr. Cumberland's subscription I cannot recollect. The others I really cannot tell whether I asked for or whether they were volunteered. A great many gentlemen did volunteer at the time. They were not circumstances to make a very deep impression; they occurred a good many years ago.

Q. You do not recollect, you say, the act of Mr. Cumberland subscribing. Did you see him on the subject before he did subscribe?—I do not recollect having done so.

Q. Mr. Cumberland told us that you had invited him to subscribe?—Well, it is probable that I may have done so. I do not recollect the circumstances. If Mr. Cumberland did not volunteer to sign it, it is pretty certain that I asked him to do so; but how it was I do not recollect.

Q. Did you apply to him for a subscription on behalf of the Railway Company?—No, never, as far as I recollect.

Q. Do you recollect in what way you did apply to him, if you did?—No. I told you that I did not recollect having done so at all. I saw that Mr. Cumberland did state that, but I failed to recollect it. Mr. Cumberland is very likely correct about it; I do not mean to contradict him.

Q. Can you recollect how long before you received the cheque it was that the list was signed by these gentlemen?—No, I do not, and I have no means of knowing that.

Q. Did you keep any books for this subscription?—I had a memorandum book—a cash book.

Q. How did you credit this payment?—I credited it to the parties who had subscribed.

Q. That is you credited it to the three individuals?—Yes, to the three individuals.

Q. Did these gentlemen subscribe any other sums?—No.

Q. Any of them?—No.

By Mr. Casgrain:—

Q. You originated the idea of this testimonial?—I do not think I deserve that credit. No, it was talked of long before it went into operation; and it was only for reasons which I stated, and which you probably saw, that it went into active operation at that time.

Q. It was spoken of?—Oh, probably a year or two before. When it was gone into it was feared it would be for those who would be among the widows and orphans.

By Mr. Palmer:—

Q. Mr. Ross and Mr. Robinson subscribed respectively \$1,000 and \$500 and told you that Mr. Cumberland would pay their subscriptions, and Mr. Cumberland did afterwards pay all the subscriptions by a cheque of the Northern Railway?—Yes.

Q. Did you know at that time anything of the transactions between these gentlemen and the Northern Railway—whether the Northern Railway owed them, or if not, if they proposed to pay the railway at all or not?—No; I did not.

Q. Had you no knowledge on that subject?—None whatever.

Q. Did they at any time, either in making the subscription or in paying, profess to act for the Northern Railway?—No, they did not.

Q. You have said that this was a testimonial, and that it was paid over to trustees; was there not a deed of trust executed previous to the payment of that over?—Yes, it passed through my hands direct to trustees.

Q. I know, but previous to that was there not a deed of trust by which these gentlemen were made trustees of this money for Lady Macdonald and Sir John's children?—Yes; that deed was prepared and executed before I paid the money to them.

Q. Do you know that these gentlemen who had this trusteeship knew anything of the source from which the money came?—I am quite certain they did not.

Q. Do you know of any means by which they could have got information of this \$2,500 at all?—No, I do not.

Q. Did Sir John A. Macdonald, so far as you know, or any of these trustees or any of the beneficiaries know at all that any of these funds belonged to the Northern Railway in any way?—No, I don't think they did. I am sure they did not.

By Mr. McCarthy:—

Q. There was nothing said then at any time by any of these gentlemen or anybody else as to this money being a contribution from the railway funds?—Not that I recollect.

By Mr. Palmer:—

Q. On the contrary, were they not distinctly told that these were voluntary contributions by persons who chose to give them in consideration of the valuable services Sir John Macdonald had done to the country?—That was the understanding.

By the Chairman:—

Q. Were they told so by you?—I have no recollection of having told them so.

Q. What means had they of knowing that that was the understanding?—Because they knew of the fund and that it was voluntarily contributed.

By Mr. Bowell:—

Q. I think the subscription list stated that fact did it not?—That it was voluntary? Yes it did.

By Mr. Palmer:—

Q. Did you not explain to these gentlemen why they were wanted as trustees?—I did not name the trustees nor frame the trust-deed.

Q. Were you not in communication with them at all?—I was in communication with them when handing over the trust, but I have no recollection of having said anything on the subject.

By Mr. McCarthy:—

Q. I understand you to say that you never showed the subscription list to anybody, trustees or anybody else?—No. Not a complete list.

Q. Well, if they had seen the list there was nothing on it to show that the \$2,500 was subscribed by the Railway Company?—Nothing at all. Each subscriber wrote opposite his name the amount of his subscription. When I got the \$2,500 I marked each of the subscriptions as "paid."

Q. So that whoever saw that list would have no opportunity of knowing by whom the money was paid, but by those gentlemen whose names were there?—No.

By Mr. Bertram:—

Q. Did you canvas for subscriptions for the Sir John Macdonald testimonial fund?—I object to answer that question, because I think it is foreign to the enquiry.

The CHAIRMAN—I think the question can only apply as far as the canvas of these three gentlemen is concerned.

Q. Did you canvas Mr. Ross, Mr. Cumberland and Mr. Robinson?—I think I stated two or three times that I do not recollect having canvassed them. I recollect Mr. Ross and Mr. Robinson subscribing. As I stated, if they did not volunteer I believe I asked them to subscribe, but whether I did or not I cannot say.

Q. How many directors were there in the Railway Company?—I do not know.

Q. Did you ask any of the other directors?—I am not aware. I really did not know or do not remember who the other directors were.

Q. Did you ask any of the original shareholders for a subscription to this fund?—That it is impossible for me to answer without having a list of the shareholders before me. I am not aware of having done so.

Q. You did not know who the rest of the directors were at that time?—I did not. I do not know who the directors are now. I can name some of them but not all of them.

By Mr. Guthrie:—

Q. I understood you to say that you knew those three gentlemen were directors?—Yes. I did not know who all the directors were.

Q. I do not know whether I understood you correctly at first; but I understood you to say that they were a majority of the local Board?—I said nothing on the subject.

Q. You do not know?—No; there was no question of that character put to me.

Q. In answer to Mr. Palmer, I understood you to say, that all these people were told that the contributions were voluntary, and to be paid out of their own moneys?—I did not say so. I said that I had no recollection of having said anything to them about the contributions.

Q. Whether it was payable out of their own moneys or anything else?—No.

Q. Or that the contributions were voluntary or otherwise; of course, necessarily, they would be voluntary, I should say?—Of course, they were voluntary.

By Mr. Casgrain:—

Q. You spoke of a deed of trust; were you a party to that deed as delivering over the money?—I think not. I, as the treasurer, handed over the funds; but I am sure I am not a party to it. My recollection is, at all events, that I am not. I do not see why I should have been; that is, I do not see any legal reason for my having been so, and I do not think I was.

By Mr. Bowell:—

Q. I think I understood Mr. Macpherson to say distinctly, that so far as he knew, Sir John Macdonald had no knowledge of these subscriptions, either directly or indirectly?—None whatever.

I desire further to say, that in compliance with the request of the Committee, I referred to the subscription book, and find that Mr. Ross was the first of the three gentlemen who signed; six names intervened between his name and Mr. Cumberland's, and several names intervened between Mr. Cumberland's and Mr. Robinson's. I feel sure no two of them signed upon the same day.

(Signed)

D. L. MACPHERSON.

TUESDAY, 20th March, 1877.

Committee met.—Mr. ARCHIBALD in the Chair.

Sir JOHN ALEXANDER MACDONALD sworn and examined:

By Mr. Guthrie:—

Q. Sir John, I have no particular question to ask you just now, but simply to say that I thought it proper that you should be invited to attend the Committee, as you did not make your statement before the Royal Commission, and be afforded an opportunity of saying anything that you might have to say regarding this matter. Of course we have no evidence to connect you with it now, but I thought it proper that this opportunity should be given you?—Well, I can only repeat what I said in the House. I had no idea of such a testimonial, or of any testimonial being in contemplation until, I think, the autumn of 1870, after I returned from Prince Edward Island. Then I saw a statement in some of the newspapers that it was rumoured that the friends of Sir John Macdonald were getting up a testimonial for him; but the nature of that testimonial, whether a piece of plate or any provision for myself or family, I did not know. I did not pay much attention to it until I think, Mr. Macpherson told me all the circumstances. He said that they had got a subscription from my friends for the benefit of my family; and that was the first intimation I had of the nature of the testimonial. I did not feel myself at all at liberty, in justice to my family—or indeed in justice to my friends, if they offered me this mark of their appreciation of my services—to decline it. I thought I was not in sufficiently easy circumstances to refuse it, and even if I had been a wealthy man I do not think I ought to have refused a testimony of confidence from my friends. I

certainly made no objection to it. I knew no more about it until I was asked if the three names mentioned,—Colonel Gzowski, an old friend of mine; Senator Allan, also an old friend of mine; and Colonel Bernard, who is my wife's brother,—if I had any objection to them as trustees. I said there could not be three better men chosen, and I heard no more about it until after the trust deed was executed and transmitted to me. I then, for the first time, knew the extent of the testimonial. I had seen, however, before that, a draft of the deed of settlement, which was enclosed to me by Christopher Robinson, of Toronto, who drew it, and I returned it to him saying that, as far as I could judge, it was an instrument well adapted for the purposes. I can only repeat what Mr. Macpherson has said: that I had no idea—that I do not know the name of one single individual who subscribed to that testimonial. I did not know until the Commission sat last summer at Toronto; then I heard a street rumour that there was a subscription from the Northern Road. That is the first idea I had of it; I had no idea of it, in the world, before. I then asked Macpherson about it, and what he said to me was (he was just then going to England), "It is not the case." The subscription was made by Mr. Cumberland, as I understood from him. That was the first intimation that I had that Colonel Cumberland or anybody else—any individual—had subscribed, and the first intimation I had that it was said that Colonel Cumberland had paid this subscription out of Northern Railway funds. I never saw the subscription list; Mr. Macpherson never showed it to me, nor did anybody else. Mr. Macpherson said my friends had studiously kept any knowledge of it from me, so that I might not feel under any personal obligation to any individual. It was intended to be a testimonial from my party to myself for my services, which they were good enough to appreciate; and at this moment I do not know any name on that list except so far as it has come out in the Northern Railroad investigation. I heard to-day, for the first time, about Ross and Robinson, since I came into this room; I did not know before that they were subscribers.

By Mr. Palmer:—

Q. About the time these subscriptions were being got, and shortly before, were you not very sick?—Yes; I heard Mr. Macpherson say since I came into this room that there had been an intention of that kind some time before 1870; but I was not aware of it until I heard that statement made to-day. I understood that the testimonial originated from my serious illness. Early in May, 1870, just before the House was sitting, I was struck down by a severe attack which was supposed to be fatal, and for a month or six weeks I remained in a state of semi-unconsciousness. As soon as I improved my health somewhat I was carried down to Prince Edward Island, where I remained all summer; and during the whole of that summer I heard nothing about it, and it was not till my return in the month of September or October that I knew anything about it; then I saw in the newspaper that it was rumoured that the friends of Sir John Macdonald were getting up a testimonial for him; and afterwards the story was told me by Mr. Macpherson in the manner he has related.

Q. The subscription was got up at the time your life was despaired of?—Yes.

Q. So that it was intended as provision for your family?—Oh, yes, it was so decidedly.

(Signed) JOHN A. MACDONALD.

MONDAY, 9th April, 1877.

Committee met—Mr. ARCHIBALD in the Chair.

Right Hon. Sir JOHN A. MACDONALD recalled and examined.

By Mr. Guthrie:—

Q. There were two drafts of \$500 each by you, which appear to have been out of the funds of the Northern Railway; will you explain to the Committee who authorized the drawing of the drafts?—Those drafts were authorized by Col. Cumberland.

Q. By letter or personally?—My impression is, by letter; but it was either by letter or telegram, or some communication. The circumstances are not present to my mind, but I am satisfied that I was authorized to draw them.

Q. He says himself that he had no communication with you directly?—My impression is that he must be mistaken.

Q. This answer applied both to written communications and verbal ones?—I may say that I observed in the statement, on the publication of the evidence, that Col. Cumberland was under the impression that his communication was with Mr. Charles Campbell, of Toronto. I had no recollection of ever having any communication with Mr. Campbell on the subject; and the other day I saw Mr. Campbell at Toronto, and we compared notes, and he agreed with me that he had had no communication with me on the subject. There must have been a communication between Col. Cumberland and myself. It must either have been by his writing to me authorizing me to draw, or my writing to him asking him to subscribe to the election fund; what it was I cannot now say. But I drew upon advice, and it must have been from the advice from Col. Cumberland.

Q. Have you had an opportunity of looking to see whether you had any communication, any letters or telegrams from him?—I did not inspect my correspondence—it is stowed away in an infinite number of boxes at Toronto—but I examined my letter-book, and I find no letter from me to Col. Cumberland. My letter-book was not likely to contain correspondence of that kind which would be of a private nature.

By the Chairman:—

Q. I see the drafts both state “as advised”?—Yes; I certainly would not have drawn without advice.

By Mr. Guthrie:—

Q. Perhaps you could say whether, if you received a letter or telegram from Mr. Cumberland, you would be likely to have it?—I would not be likely to retain them.

Q. Do you remember whether Mr. Cumberland was in Ottawa about the time the drafts were drawn?—I have not the slightest recollection.

Q. Were you in Toronto?—Neither do I remember that. I had forgotten the circumstance altogether, until it was revived in this way.

Q. He says the drafts were for Sir Francis Hinck's election in North Renfrew, I suppose that is correct?—That is quite correct.

Q. He says that in such matters he was generally regarded as representing the railway, although he cannot say that you so regarded him; what have you to say about that?—I can explicit on that subject. I was aware that there were peculiar and intimate relations between Sir Francis Hincks and Col. Cumberland, and I would have been much surprised if he had not subscribed to any fund to assist Sir Francis after he was made aware of it. My impression was then, and is now, that the subscription was on account of those friendly, personal relations between the two gentlemen.

Q. Then I understand you to say that you regarded it as a personal subscription by him?—Altogether.

Q. And you had no idea that he would pay them out of the railway funds, because they are not charged to himself; they are charged to Parliamentary expenses on the very day they came due?—That idea never presented itself to my mind.

By Mr. Bowell:—

Q. Did you suppose at the time that subscriptions of a like character would be paid out of the railway fund, and not out of his private resources?—I presumed they would be paid by Col. Cumberland as a subscriber to the fund.

Q. As a private gentleman?—As a private gentleman.

By Mr. Guthrie:—

Q. Was the amount of this subscription unusually large?—No. It was merely a supposition in my mind, and therefore must go for what it is worth. There were two drafts for \$500 each; my impression now is that I was authorized to draw for \$500, first, and that Col. Cumberland, having ascertained that another party not so inti-

mately connected with Sir Francis Hincks, had subscribed \$1,000, thought he should do the same, and authorized me to draw the second draft. That is my supposition on the fact of there being two drafts.

Q. Do you remember any letter or communication that leads you to say so?—No; it is merely a supposition, a strong impression that I have; and because I see these two drafts say as advised.

Q. I think it would be satisfactory to the Committee if you would look and see if you have telegrams relating to the matter?—I could not do that without going to Toronto.

Q. Because the drafts say "as advised" and Mr. Cumberland says he has notice from you?—I might have a letter, but I am not at all likely to keep letters of that kind.

Q. For my own part it would be satisfactory if you could, after a search, say that you had them or that you had not them?—You must see the physical impossibility of my doing that.

Q. Unless you keep your letters and telegrams fyled away?—Well; my correspondence was so voluminous that it is stowed away in an infinite number of boxes; it would take me a long time to search for it.

Q. Can you tell the Committee whether you applied to him first or he volunteered to subscribe; do you recollect how that was?—I do not.

Q. And you have no recollection of the circumstances under which the second draft came to be drawn?—I have no recollection, but my supposition is as I have mentioned.

Q. Did you regard Mr. Cumberland as a man in a position to make such a contribution out of his personal means?—Mr. Cumberland was always considered as a well-to-do man.

Q. He has said that any one who supposed he was wealthy enough to pay such a subscription out of his own funds was mistaken in regard to his means?—That I cannot speak about. Mr. Cumberland was considered to be in the receipt of large emoluments, and I would not have been surprised to see that he had contributed this sum out of his own funds to aid Sir Francis Hincks, because, as I have said before, there were relations existing between these two gentlemen which, to my own cognizance, ought to have induced Col. Cumberland to come forward and aid Sir Francis in an especial way.

By Mr. Palmer:—

Q. Were they strong personal friends?—Yes; and had been for a long time. I may mention in that regard that when Sir Francis left the country in 1865, he asked me as a special favour, I then being in the Government, to be a friend to Mr. Cumberland, as he had been previously. He gave him into my charge as it were.

Q. You have given us an idea as to why the five hundred dollars was increased to a thousand; you said it was that some other gentleman had subscribed a thousand. Would you tell me who that was?—I have no right, without his consent.

Q. You received this money; did you receive the other gentleman's?—No, but I knew that that subscription had been given.

Q. What did you do with the thousand dollars?—I paid it over to the gentleman who managed the money matters of that election for Sir Francis.

By Mr. Bowell:—

Q. So you did not expend it yourself?—No.

By Mr. Palmer:—

Q. I am afraid I must ask you who that gentleman was?—That gentleman was Mr. Scott.

Q. Which Mr. Scott?—The Honourable Richard Scott.

Q. The present Secretary of State?—Yes.

Q. Do you know whether he received any other sums that were subscribed?—I know that Mr. Scott acted as treasurer during the election.

Q. Treasurer of the fund?—Yes.

Q. I suppose you would not know to whom he distributed it?—I know nothing about it; I was simply the medium of receiving the money from Mr. Cumberland, and handed it over to Mr. Scott; Sir Francis Hincks had made up his mind that he would have nothing to do in money matters.

Q. I see, Sir John, these papers, drafts or communications, so far as you are concerned, had nothing to do with the Northern Railway or its funds?—Not the slightest.

Q. And you had no knowledge of out of what fund Mr. Cumberland would pay this thousand dollars?—I had no knowledge in the world; I presumed he would pay it himself.

Q. That is a matter on which you did not speculate?—I did not speculate at all on it.

(Signed) JOHN A. MACDONALD.

THURSDAY, 12th April, 1877.

Committee met.—Mr. ARCHIBALD in the Chair.

Sir JOHN A. MACDONALD appeared before the Committee and said he desired to make an explanation touching his previous evidence in regard to what he had done with the proceeds of the draft of five hundred dollars. He was under the impression that he had paid the money over to Mr. Scott, but he found, on further examination, that it was deposited to the credit of Sir Francis Hincks, and that it had not been paid over to Mr. Scott.

(Signed) JOHN A. MACDONALD.

MONDAY, 9th April, 1877.

Committee met.—Mr. ARCHIBALD in the Chair.

HON. JOHN BEVERLY ROBINSON sworn and examined:—

By Mr. Guthrie:—

Q. Have you any explanation to give the Committee in regard to the amount expended in connection with your election for Algoma?—I have none of any importance, further than I gave the House.

Q. I do not know that those are before us, so it would be well for you to give them here?—Yes. I would just say, as I told the House, that I left Toronto and went up to Lake Superior, where I had been in the habit of going for five or seven years previously, on purpose to avoid getting into election matters in Toronto. And, when I arrived at Sault Ste. Marie, I found, much to my astonishment, that Mr. Cumberland was there. While I was in the town—I think it was between three and four o'clock in the afternoon,—the Captain of the steamer came up to me and said: "Mr. Robinson, there is a large political meeting going on somewhere, and I hear that Mr. Cumberland is here." I said, "let us go and see the fun;" so we went. There must have been 100 or 150 people in and outside the hotel, and they were about breaking up. Some one, or several of them there, addressed me, and asked me where I was going. I told them up to Fort William. They were in a pretty excited state about this election, and they asked me to run. There appeared, from my recollection of it now, to be some local difference between Mr. Cumberland and them, the nature of which I know nothing about, and they pressed me very hard to become a candidate. I resisted, and said it would not suit my business to run for any constituency at that time. Mr. Cumberland then, thinking it of importance that some one representing the interests of the Northern Road, which were closely identified with that constituency, should be in Parliament, pressed me hard, as he states in his evidence, to become a candidate at once. This was all done in about half-an-hour. A committee from the Bruce Mines were up there at the Sault; they were anxious to get away, but they pressed me so that I, at last, consented. I had to make a speech, and I told the people, Mr. Cumberland being present also, that, of course, it would be

understood that I would not, at any rate, pay any of the expenses towards the election myself. He said, and they all said, as they do in such cases, that, of course, the expenses of the candidate would be paid, and I would not run any risk about that. In the course of about half-an-hour, the steamer proceeded to Fort William, some five hundred or seven hundred miles away, that being a part of the constituency, and there being a number of votes there, and where I was, perhaps, better known than at the Sault. During that election, I may have come down once again to the Sault, then after that, I proceeded again to Fort William, or Prince Arthur's Landing; the election then came on, and I was returned; and my expenses, as I see by the return sent down in the Commission to the House, were paid, at least Mr. Cumberland says so. He states the amount, of which, until I saw it in that return, I did not know.

Q. When Mr. Cumberland pressed you to stand did you make it a condition or not?—I told all the people as well as Mr. Cumberland, and they were all in the room together.

Q. But when he saw you did you stipulate that the Northern Railway should pay your expenses?—I do not think I did; in fact, it was all done in a hurry, and they all agreed that my expenses should be paid.

Q. All agreed?—The people as well as Mr. Cumberland.

By Mr. Bowell:—

Q. The people were urging you to come out?—The people who were assembled; there were two committees—one from the Bruce Mines and one from the Sault.

By Mr. Guthrie:—

Q. Did Mr. Cumberland agree that your expenses should be paid; because in his evidence he said that was the understanding between you and him; he is asked: "Was there any arrangement made beforehand that Mr. Robinson's expenses should be paid by the Company?" and the answer is: "I invited Mr. Robinson, being our President, to seek the seat of Algoma, and I proposed to him that if he would we would pay the election expenses."—It is just as I tell you; I was there with the people and Mr. Cumberland. There was a great crowd, at any rate, and I have no doubt that it is as Mr. Cumberland says; I do not recollect particularly myself; but I made it a point that under no circumstances would I stand the expense.

Q. Had you seen Mr. Cumberland alone?—No, I had not seen him alone; I had not a chance, the whole thing was done in such a hurry.

Q. Who were present besides Mr. Cumberland; can you name them?—Oh, there were lots of the first men of Bruce Mines; there was the head man of the Bruce mines and his clerk; there were half a dozen strong friends of my own, who in olden times had been engaged in Toronto elections; the most prominent man was a shoemaker—I forget his name; then there was a tavernkeeper and merchants of the Bruce Mines. In fact, all the prominent men who had been previously engaged in elections. There was Bampton, a tavernkeeper; Plumber, a stirring, active merchant; Hamilton and Wilson—all active good fellows. A number of French-Canadians were there, with whom I had been on the Upper Lakes.

Q. The question is not exactly who were at the meeting; but who promised to pay the expenses?—They all promised. I spoke to them in the room, and they all more or less agreed. If they had not, I would not, under any circumstances, have done anything of the sort.

Q. Had you consented before you went to the meeting?—No, I did not know they were there until I got into the place.

Q. It was at the meeting you saw Mr. Cumberland?—Yes, they were all coming out of the front room, and they took me with them.

Q. But had you any conversation amongst yourselves before that; you say he said it was desirable that the interests of the Northern should be represented in Parliament; that was a conversation with Mr. Cumberland?—If I mistake not, he told the people too.

Q. Was it in the same conversation that he used the language he speaks of in the conversation: "I invited him, being our President, to seek the seat of Algoma, and I proposed to him that we would pay the election expenses?—I have no doubt he

said, along with the rest of them, that he would pay the election expenses. They may have contributed too for all I know.

Q. As President of the Northern Railway, did you not find out what amount it had cost the railway for the election?—I never heard.

Q. Did you know whether they had paid anything?—I knew they had paid something, because I was incurring some expenses myself, and I think as that return shows, they paid me \$500 or \$700.

Q. You did not look to your friends for that expense?—I did not look to them.

Q. For your own expenditure, you got reimbursed by the Northern?—Yes, from the Northern at the time.

Q. Mr. Boulton seems to have been helping you?—I think he was up there at the time.

Q. Yes, but were you aware that the Northern paid his expenditure too?—I do not know.

Q. Were you aware that Plumber's accounts were paid out of the Northern?—Not to my knowledge, till I saw it in the return.

Q. You got a cheque for \$226?—I must have got a cheque for \$500 or \$700.

Q. I find, in the month of August, 1872, a wine bill of Dawson, Foster & Co., something about \$100, certified correct, J. B. Robinson?—I dare say.

Q. Was that in connection with your election, although it was certified in August, 1872?—I cannot say, as Dawson was in the habit of furnishing the railway, for different excursions, wine, &c. Whether this was one of them or not, I don't know.

Q. But this was at the very time you were at Algoma. I have a note of it as paid September 17th, and it was charged to contingencies. The amount is \$113.75, and the goods were principally supplied in August, and certified by you?—I don't know what that was for.

Q. Did you have wine, and so on, from Dawson, Foster & Co., up there?—None for myself personally. I was away 700 miles distant.

Q. Unless it was sent for when you consented to run?—No, it was not sent for; but I would have been glad to have had it.

Q. Do you recollect how you came to certify?—Why, we were in the habit of dealing with Dawson for different things of that kind, and I had no doubt of it at the time.

Q. I want you to state whether, when you first consented to run for Algoma, you did not expect the Northern to pay your expenses?—I expected Mr. Cumberland would, in the first place, hold me harmless in the matter.

Q. But not out of his own pocket, I suppose?—I never asked him.

Q. But I ask you if you understood that he would do it out of his own pocket or out of the monies of the Northern?—I had no understanding with him on the subject.

Q. But what did you understand yourself?—I never thought about it one way or the other. It is hard to say. I cannot say whether Mr. Cumberland was to pay it out of his own pocket, or the Northern Railway was to pay.

Q. You say he asked you to become a candidate?—I have said so before, as he has done in his evidence.

Q. How did you come to present an account to the Northern for \$600 or \$700?—I did not present any account. I drew for it, in the course of the election, as I required it.

Q. Than why should you draw on the Northern if you did not understand that the Northern were to pay the expenses?—The drafts speak for themselves; I drew on Mr. Cumberland for the amount, in accordance with the understanding with him and the people.

Q. But there was a cheque of \$226 given you; not a draft?—It might have been so.

Q. How did you come to apply for that and receive it?—I do not know that I applied for it at all; it might have been sent to me.

Q. Then you understood that the Northern were paying the expenses?—Of

course; when I drew upon Mr. Cumberland. I would not like to swear to it, but I had not much doubt of it, but I did not know positively until I saw this.

Q. Did you, as President, concern yourself with the disbursements or the expenses of the Northern Railway?—Not as a general thing as far as other people were concerned.

Q. For instance, these Algoma expenses, were you in the habit of looking at the books?—Never.

Q. You never concerned yourself with the expenses?—No; Mr. Cumberland had his book-keepers for that purpose.

Q. Then except the \$700 that you personally disbursed, the election expenses were paid by the Northern; and this that you paid yourself, you also got paid by them?—Yes.

By Mr. Palmer:—

Q. Then with the exception of this \$600 or \$700 you did not incur any other expenses yourself?—I incurred no other expenses individually that I know of.

Q. This expenditure was authorized by Mr. Cumberland and you made it on the distinct promise that it should be reimbursed?—A distinct promise, without which I would not have entered into it.

Q. And if I understand it right, until this enquiry was entered into, you never knew what the total amount was?—Never saw it.

By Mr. Bertram:—

Q. At this meeting that was held at the Sault was any subscription taken up amongst the people?—Not whilst I was there; there was not time for anything of the sort; I was only there for half an hour that day.

Q. Was there any understanding of a subscription list been opened?—They spoke about it I think, but I was not there sufficiently long to do any business of that sort.

Q. Were you aware that any subscription was taken up in Algoma?—I could not say whether there was or not.

By Mr. Bowell:—

Q. You say that when Mr. Cumberland asked you to become a candidate the people knew you were President of the road?—Of course they did.

Q. And did they understand that you were being elected in the interests of the road as well as their own. I understood that Mr. Cumberland stated there that you were President of the road and that they desired to have a representative?—Mr. Cumberland need not have stated that because it was well known to the people when they were often doing business with the road in connection with the works. They all must, more or less, have been aware that I was President of the road and had been for ten years past.

Q. Your position was that you consented reluctantly to be a candidate on the understanding that you should be put to no expense?—It was positively stated that I should not.

By Mr. Palmer:—

Q. Did I understand you that it was stated that it was important that the road should be represented in Parliament?—Yes; most important.

Q. Was it stated at the meeting?—It was stated by some, I am sure.

Q. Was this stated also during your canvass in Algoma?—It was made an accusation against me that I had come out in the interests of the road. It was one of the charges that my friend and opponent, Col. Denison, made against me, and some of the people said "If so, so much the better."

Q. Then I understand that it was made a part of your canvass that it was important that the road, should be represented?—Yes; by some.

By Mr. Guthrie:—

Q. Do I understand you to say that you stated at the meeting at the Sault that you were running in the interest of the road?—No, I did not state that to the people, but it was made an accusation against me. I defended myself, referred to the

importance of the road and said that instead of it being an objection to me it would serve our mutual interests, and many others spoke in the same strain as I did.

Q. Was it stated that your election expenses would be paid by the Northern in your speeches?—No; I never referred to my expenses.

Q. Was it stated at any other meeting that you had been solicited by Mr. Cumberland to run in the interests of the Northern Railway?—I don't know that it was.

Q. Did you state at any other meeting that you were running in the interests of the Northern, or did you merely put it in this way: in answer to charges that you were running for the Northern, you said the interests of the Northern and Algoma were identical?—Yes.

Q. Then you did not admit the charge that you were running in the interests of the Northern to be true?—When my opponent charged me with running in the interests of the Northern I explained to the people the connection between the Northern and their interests.

Q. Do you remember at what meeting you explained that?—I cannot say.

Q. Can you say where you said that?—Col. Denison urged it as an objection to me at more than one place.

Q. Do you remember where?—I have no doubt it was done at the nomination at Sault Ste. Marie. He wanted to make all the points he could against me, and this was one of them.

Q. Who attended to the disbursements?—I don't know; I was 500 or 700 miles away most of the time.

Q. I mean the disbursements in connection with the election?—I do not know who attended to them; it might have been done by the Committee.

By Mr. Bowell:—

Q. Do you know the parties to whom the bills were sent?—No; I do not.

By Mr. Guthrie:—

Q. I was not in the House on the occasion of your making the speech on this matter, but I read the report of it in one of the papers, and I do not recollect that you said that anybody but Mr. Cumberland had promised to pay your expenses. Did you say it in the House?—I do not know that I did.

Q. In the House, as I read the report, you stated, as Mr. Cumberland states in his evidence, that on his request you ran, and upon his promise as to the expenses. Do you recollect whether you stated in the House that any one else than Mr. Cumberland was to see your expenses paid?—I do not know that I did. I have not read my speech since I made it. I know it was a matter talked of by the people in the meeting.

By Mr. Bowell:—

Q. You know you refused to run if your expenses were not paid, and unless they promised to pay them?—I said it in the presence of a hundred people, and Mr. Cumberland was there.

By Mr. McCarthy:—

Q. The Northern Road was promoting the Pacific Junction?—Yes.

Q. Where was it intended to run?—It was intended to be an extension of the Northern Road past the Bruce Mines, from Gravenhurst to Sault Ste. Marie.

Q. That was directly through your constituency?—Yes.

Q. Was that a matter at that time under consideration?—It was one of the matters under consideration, and a most important one.

Q. That was a matter that the Northern Road were actively promoting?—Yes; actively promoting; we had had general deputations down from the country about it at different times.

Q. So that any connection you might have with the Northern Road could not formally have been an objection in the eyes of the constituency?—Not at all with my supporters.

By the Chairman :—

Q. Was the Pacific Junction charter being provided before this House or the local House?—It was a local charter.

Q. If it was a local charter, what particular motive would the people of Algoma have in returning you to the House of Commons?—I cannot speak as to that exactly; but it was a subject of great discussion in the contest.

By Mr. McCarthy :—

Q. Was it proposed to ask the Dominion Government for aid towards the construction of that road?—I have no doubt it was.

Q. I believe the idea of that road was to connect with Jay Cooke & Co.'s road—the Northern Pacific?—Yes; I think it was; we had gone down to New York, and I think we met Jay Cooke there, Mr. Cumberland and myself, and a number of persons interested, and we talked the thing over.

By Mr. Guthrie :—

Q. I find in the books of the Northern Railway, and, in fact, it is disclosed in the Railway Commission, that between \$4,000 and \$5,000 stands to your debit in the books, as an overdraft?—So I see.

Q. I suppose you got the money charged against you?—No, I don't know it was charged against me.

Q. But I say you got it?—I don't know that I did.

Q. Have you ever looked over your accounts?—Not that I recollect, except once, hurriedly, with Mr. Cumberland.

Q. I have a copy of your accounts from the books, certified to by the accountant; you have never looked over it?—I looked over it hurriedly with Mr. Cumberland; I asked him for the letter about it.

By Mr. Bowell :—

Q. What letter was that?—That was the letter in which he stated that he knew there were several items in that account for which I was not liable.

By Mr. Guthrie :—

Q. By the books of the Northern Railway a balance of \$4,606 is made out against you; in July it was \$4,970, but they have credited you with some Directors' fees, which has reduced it; what explanation have you to give as to this amount which is standing against you?—I could not give an explanation as to the amount until I knew the items. The first I knew of it was that Mr. Hamilton met me on the street and he told me that my account was considerably overdrawn; I think that was in 1874, after I left or had to leave the road; I was not in a very good temper, and I got into a conversation with him, and I asked him whether he had charged any of the engines against me. He said, "No, not that." "Well," I said, "Hamilton, you recollect a matter of a thousand dollars I came to you for, that Cumberland told me to get, I think it was for the Muskoka business, is that charged against me?" And he said, "Yes." I said, "I don't owe that." He said, "I know you don't." I asked him if he charged some travelling expenses against me which I got from him when we were going to New York. He said it was charged against me. "Well, then," I said, "you had better strike them off." He said I had better look at the accounts. Then I never paid any further attention to it, until I spoke to Mr. Cumberland about it; I was not in the humor to do it. I thought, in the summer of 1875, that if I went away and met with any mishap, if that account was standing against me, some one, on my behalf, would get into trouble. I went to Cumberland, and Cumberland said to me, "Let's look at it." We looked at it for a short time, and he said he had not time to look into the thing. And I then said, "Write me a letter that some of these items charged against me are not owing;" and he did so.

Q. Have you got the letter?—I have; I have it in Ottawa.

Q. It would be well to produce it, as Mr. Cumberland was examined about it, and we all agreed it would be better to see the letter. With regard to your account, I will give you the account as it is taken from the books, and ask you to look it over before examining you any further about it?—I am not credited with the proper salary I should receive, as Cumberland says in his evidence.

Q. What salary were you to get when you first accepted the office of President?—I had no positive understanding about it that I recollect. I knew, or found out, about two years after I was President, that my predecessor got £1,000 sterling in the same office. I have been connected with the Railway since 1851, and as my services were at any rate on a par with my predecessor's, and as the road, when I succeeded to office, was in a better condition, and having been previously, for several years, a director, I took it for granted that a liberal compensation would be given me. I may say for Mr. Cumberland, that he had no objection to it. He admitted it, and so things went on. From time to time, I drew the money as I happened to want it, and he said I should have a satisfactory settlement.

By Mr. Benell:—

Q. Then what you really contend is, that you are not indebted to the road at all?—I contend quite the other way. I contend that the road owes me something worth looking after; a considerable amount.

By Mr. Guthrie:—

Q. You say there was no definite understanding when you first accepted office. What amount of salary was attached to the office?—Cumberland spoke of \$1,000 at that time.

Q. Was that the amount credited to you?—It might have been; the account will show.

Q. When did you first learn that your predecessor was getting more than \$1,000?—It was in 1861 or 1862. It was about a year and a half or two years after I was made President.

Q. Up to that time had you?—Up to that time, I might say that the interest on the bonds was not all paid; and after the interest on the bonds was paid to the bond-holders, I took it for granted that I should be on a par with my predecessor.

Q. Up to that time you had not contended it?—I do not know whether I had positively or strongly contended it. I might have mentioned it to Mr. Cumberland.

Q. Of course, if you did not know what Mr. Morrison was getting, you would not complain. Do you remember whether you spoke of it, or complained of it until after you learned what Mr. Morrison was getting?—I cannot say that I complained. As Mr. Cumberland says in his evidence, I was always talking about it. I looked upon it as a great injustice, because at the time Mr. Morrison was getting £1,000 sterling, the road was not earning as much, perhaps by one-third, as when I was President.

By Mr. McCarthy:—

Q. Was it sterling?—They all spoke of it as sterling.

By Mr. Guthrie:—

Q. I see that the amount credited to you was \$1,000 up to 1864: that is \$103.61 per month?—That is \$1,200 a year or thereabouts.

Q. Was that what you got at first?—Whatever the account says, I got.

Q. I find, then, from 1864 that it was reduced; perhaps you were not President; were you President continuously from 1861?—I was President continuously till 1873.

Q. I find, in 1864, 1865, up to 1866, that you were credited with \$44.55 a month?—He may have credited me further; I do not know.

Q. Then in 1867 again it was raised to \$83.33 per month?—That would be \$1,000 a year.

Q. There were about three years that \$40.55 per month was credited to you. I want to know if you were aware of the change?—No; not that I recollect; but I always protested against the smallness of my salary, and Cumberland always admitted the reasonableness of my objection.

Q. Were you aware that it was first \$1,200 and then it was reduced to something like \$500?—I could not say that I was, though it might have been so entered.

Q. £250 sterling is what you apparently got in 1863; then it came down to £100 sterling in 1864, or \$40.55 per month. That continued up to 1866, when it was \$83.33 per month. Then it was raised again in 1874 to \$123.89 per month?—

I do not know how the clerk put it down; but I know the understanding I had with the manager about it.

Q. Was the salary raised or lowered at any time, to your knowledge?—I really do not know. I might have had, as I have stated, several conversations with Mr. Cumberland about it.

Q. Did not you know from the amounts you drew?—It would appear that I ought to know. At the same time I was always talking and doing what one would naturally do to get a fair compensation. Cumberland always admitted that I had a just claim, so I did not look at the account.

Q. In looking at the accounts, I find, in 1863, for instance, that you drew, from August, \$103.60 a month. Did you get \$103 per month regularly at that time? A change was made in 1864, reducing it to \$40.55, and you drew that regularly, so that these drafts were in accordance with the amount credited?—That might have been so.

Q. Can you state that you did not know the amounts credited to you were less?—I cannot speak positively as to that point. The fact of the matter is, I never examined the accounts.

Q. But you must know the amount you drew per month?—I know that as it appears by the books.

Q. And you must know that it was less than you used to draw?—Yes; but I always felt that the amount would be made good.

Q. In 1866 they appear to have increased to \$83.33; and they continued at that regularly up to 1872, when they again increased it. Were you aware of the increase in the salary credited?—I have no doubt Cumberland informed me of it.

Q. Did you apply to the Chairman in London or the road there on the subject of your salary?—I think I did once.

Q. You applied for an increase?—Yes.

Q. It was not granted?—That I will not say positively; they wrote an answer to Mr. Cumberland perhaps to the effect you mention; I recollect asking Mr. Cumberland to bring it to the attention of the Local Board, under whose direction the salary was as all the other salaries were; it was never done, so there the matter rested.

Q. How was it you got this increase?—I know, now you speak of a correspondence, I recollect writing to the Directors stating it was too small a matter to interest themselves in particularly after the interest on their bonds was paid, and the salary was and should be in the gift of the Local Board of Toronto.

Q. Well, were the English Directors interfering?—I don't know that they were; but I think I wrote to them, or they wrote to Cumberland, and so far for the time the matter dropped.

Q. What was the result of your application; did you get the increase?—The result was that Cumberland authorized me to draw something in proportion to the salary that my predecessor had got, for sometime at any rate. He admitted the justice of it.

Q. How did you come to get this increase from \$83.33 to \$123.89?—I don't know.

Q. Was that the result of your application for an increase of salary?—It might have been, I cannot say.

Q. The increase seems to have taken place in July, 1872, and I think it continued as long as you were President; you say that Mr. Cumberland authorized you to draw an extra allowance?—Of course he did.

Q. When?—Whenever I reminded him that the road was in a different position and that the interest of the bondholders was paid, he admitted the justice of my request. I looked upon it that it was only just that I should be on a par with my predecessor.

Q. Did you bring that before the Toronto Board?—Not collectively; but might have spoken to the Board individually.

Q. Do you remember who you spoke to individually?—I do not remember.

Q. Or did you?—I would not say.

Q. When did Mr. Cumberland authorize you to begin drawing an increase?—I got his consent at different times.

Q. What amount did he permit you to draw?—Nothing positive. I told him that under any circumstances I ought to have been entitled to have what Mr. Morrison got. He did not dispute it. We were promoting the construction of the Pacific Junction and several other branches, and I was being continually taken away from my business, and there was a great deal to do, and he then suggested it himself, and I said I ought to be allowed £750 sterling per year, and he said, "I think you ought."

Q. Did you understand that from that time you were entitled to £750?—I certainly thought so; though I had no particular agreement about it.

Q. You did not treat that as an agreement?—I did.

Q. But you knew that the Local Board had the power to fix the salaries?—Yes.

Q. Why did not you have it before the Local Board?—Because Mr. Cumberland, as he stated in his evidence, had the management of the road.

Q. Then he was a member of the Local Board?—Yes; and Managing Director for the bondholders in England.

Q. Then had you any reason for not bringing it before the Board?—No reason; I knew they would have consented if I had.

Q. From that time did you consider you had an understanding with Mr. Cumberland to give you an increase, and to what amount?—I could not state the amount, except as above. I always said it ought to begin from the time of my appointment.

Q. I understand that you had been contending that you were underpaid?—There was no contention about it, because he admitted it.

Q. What did he authorize you to draw on account?—I could not say without looking at the books.

Q. Do you remember it at all?—I do not think I remember his telling me I could draw half the amount that Mr. Justice Morrison received.

Q. When was that?—As far back as 1866 or 1867.

Q. Did he agree that from that time you should have that amount?—I cannot say that he even objected to it.

Q. Will you swear?—He says I was equitably entitled to it, and I think so myself.

Q. What I want to know is, whether there was any understanding with you for that amount?—There was no positive understanding.

Q. Nor for any positive amount?—There was a positive amount, because I always understood that under any circumstances I was entitled to half what my predecessor got, and at one time he admitted that I ought to get £750 per. year, as I have before stated.

Q. Did you treat that as settled?—I treated, and wanted to treat it as settled. At times Cumberland would say it was all right, and at times he would make some objection.

Q. You say sometimes he agreed to it, and sometimes he did not?—You know how these things happen sometimes.

Q. You got notes from Mr. Hamilton, the Secretary; did you get all those notes with Mr. Cumberland's knowledge?—Every one.

Q. He says you got one when he was away?—He is mistaken.

Q. He says you got that without his previous knowledge?—He is mistaken, for I never got any money without his knowledge.

By Mr. Palmer:—

Q. Any notes?—Nor anything in the shape of money or notes, without his consent. I would not have presumed to have done it or got the Treasurer into any difficulty about such a thing.

By Mr. Guthrie:—

Q. The note he refers to is one for \$2,000, in October, 1873, which would be a few months before you ceased to be President?—I heard he was going to New York, and as I required the money, I went up to his house in the evening, and in his hall I spoke about it, and told him I would get the money from Hamilton the next day.

By Mr. Palmer :—

Q. Did he consent to it?—Of course he did, and I went the next morning and got the note.

By Mr. Guthrie :—

Q. Did you tell Mr. Cumberland how much?—I told him how much.

Q. He was away at New York when you got the note?—I think he went away the next evening.

Q. Was he away when you got the note?—He might not have been away that day; he might have gone away that evening. I know it was because I knew he was going away that I went to him.

Q. When notes are made who is in the habit of signing them?—Mr. Hamilton and Mr. Cumberland.

Q. Did Mr. Cumberland sign that note of \$2,000?—I think he must have signed it.

Q. You think he did sign it?—His name must have been on it; he might or might not have left it with Hamilton in blank.

Q. Did Mr. Cumberland leave blank notes?—That I do not know; he might have done so at times.

Q. Was he in the habit of entrusting blanks to the secretary to be filled up?—The secretary had the full confidence of Mr. Cumberland, and he might have done so.

Q. Do you recollect whether or not, as a fact, he signed your note for \$2,000, because, if he actually signed the note, knowing it was for you, he must have been wrong?—His name, as I stated before, must have been on the note.

By Mr. Palmer :—

Q. Was it drawn in your favor?—Yes, it was handed to me by Mr. Hamilton; it may have been that Hamilton had some blanks signed by Mr. Cumberland, as he was going away.

By Mr. Guthrie :—

Q. It was a note payable to your order?—The account says it was a note at any rate.

Q. Do you recollect whether Mr. Cumberland signed the note drawn up at your order or not?—I do not recollect him signing it in my presence, and that is the reason I think a note was handed me by Hamilton. Hamilton spoke to me of it afterwards, and said that Mr. Cumberland had rowed him about giving me that note. I said, "I think you must be mistaken; let us go in and see Mr. Cumberland;" and we went into his room, but he was away then. That was some five or six weeks after the note was given.

Q. The secretary mentioned to you that Mr. Cumberland had been finding fault with him for having given the note in his absence?—Yes.

Q. And you went in to speak to Mr. Cumberland about it, but did not find him?—Yes. Upon the night I went to see Mr. Cumberland he was very busy; there were one or two others there besides himself, and I drew him out into the hall and spoke to him about it. As he was going to New York he may have lost sight of the matter.

Q. I was going to ask you if you could tell the Committee from what date you began to draw what you considered the proper allowance you should get?—I could not.

Q. Can you tell how long ago it was?—No; I could not.

By Mr. Palmer :—

Q. Would not the accounts show?—I dare say they would.

By Mr. Guthrie :—

Q. You say you do not know at what time?—I think it was 1871.

Q. When you did begin to overdraw, you did not draw for any particular amount; you just drew some now, and some again?—Yes.

Q. When you got this letter from Mr. Cumberland, which you will produce, did you present your claim for more?—I reminded him then, of course, of the agreement.

Q. Did you ever present any claim against him on the Board?—I never did; it was quite sufficient in my estimation to talk with Mr. Cumberland, and get his consent.

Q. Yes; but you have now ceased to be President for over three years. During that time have you ever preferred any claim on Mr. Cumberland or the Board in any shape for what you considered a proper salary?—No; not to the Board officially. I spoke to the present President about it before I came down here, only the other day, and I spoke to Mr. Cumberland about it, say a year ago.

Q. But have you ever sent in any claim?—Any written claim, no.

Q. And have you ever asked for any definite amount, to settle your claim finally?—No; I was not in the mood to do it; I was annoyed at the way I was treated.

By Mr. Palmer:—

Q. If I understand you right, you say the only persons who had the power to fix the salary was the Local Board?—Yes.

Q. Was the amount of the salary ever fixed by the Local Board at all?—Never.

Q. Then, if I understand it, the amount of your salary never was fixed, and never was settled on?—Never, that I knew of.

Q. You took office without any special agreement as to what your salary should be?—I took office partly with an agreement, and partly not. Mr. Cumberland spoke about \$1,000, I think, at first, but I, even then, spoke of £500.

Q. I understand that Mr. Cumberland was not the party to fix it; I understand it is the Board?—Well, Mr. Cumberland was virtually so. He represented the bondholders, held their proxies, and managed the road in these matters.

Q. Had Mr. Cumberland the power to fix the salary?—If Mr. Cumberland had fixed it, I am sure there would have been no objection.

Q. Because his recommendation would be accepted; but I am speaking of the legal power to fix it?—The legal power is another thing, that was with the Local Board.

Q. Of course, as the management was largely personal, you considered that his recommendation would be powerful?—I knew that it would be.

Q. Then you went into this claiming on the one side that you were entitled to the salary you speak of and, after several years, it being understood with Mr. Cumberland that the amount will be settled on?—That was it.

Q. Then, because there was some trouble about paying interest on the bonds was not that a reason why several transactions of that Company were kept open?—Yes; because the interest was not paid on the bonds.

Q. And, of course, these persons particularly, who were interested in the road kept their claims open until they got more capital?—That was it. The interest was paid on the bonds, say about two years after I became President.

Q. Mr. Cumberland recognized your claim, and gave you notes from time to time on account of it. Is that correct?—Yes.

Q. Then, if I understand it right, when these notes were given they were distinctly given, not as you borrowing money from the Company, but as money that they owed you?—So much on account of what was due to me.

Q. Was there any pretence at any time that you owed the Company?—No; none.

Q. On the contrary, if I understand it, you always claimed they owed you?—After the difficulty with them, and the termination, in 1873, of my holding office, I maintained that, and I do not think Mr. Cumberland disputed it.

Q. I understood that they were not in a position to pay you at the time, and they took these credits on account?—I always considered that it was an account.

Q. Did you understand that the different moneys you got month by month were your total claim?—No; I did not. I drew from time to time as I wanted, and left the balance to be decided afterwards.

Q. And of course there can be no doubt that you were not taking money yourself from the road, or borrowing the money from the road?—Neither one nor the other as I understood it.

Q. You simply got what you considered your due and what they recognized as your due?—Yes.

By Mr. Guthrie:—

Q. You stated that the Local Board has the power to fix your salary as President?—I think the Act says so.

Q. If the Local Board has power to fix your salary, why did you apply to the London Board?—I do not know that I applied. I think that Mr. Cumberland wrote a letter and showed me the letter he had got in answer to one he had from them.

Q. Did not you make personal application?—I do not recollect doing so.

Q. Did you write to the Chairman in London?—I really do not know whether I did or not, it was so long ago.

Q. When you became President of the road I suppose there was an understanding what your salary was to be?—I do not think the Local Board ever heard of it; I do not think it ever came up before them.

Q. Was the salary considered entirely an unknown quantity?—I could not say as to that. You have heard what I have stated about it. You see there was a difficulty in paying the salary when the interest was not paid to the bondholders in full.

Q. The reason I ask that question is that there is a discrepancy between Mr. Cumberland's evidence and yours. Mr. Cumberland says that the salary was fixed at \$1,000?—I said during the first two years I did not speak positively until the bondholders got their interest. Then, when the bondholders got their interest, I said, as I said at first, learning that Mr. Justice Morrison got \$4,000, that I ought to have got half at any rate.

Q. I mean that you accepted the amount you were paid when you became President, until you learned that Mr. Morrison had more?—I said long ago I could not speak to that. I know that the bondholders got their interest, and I thought they ought to be liberal with me as the President, considering what I had done for the road. I drew Mr. Cumberland's attention to the fact that I had introduced a Bill by which the bondholders got their six per cent., placing the road in a favourable position by the Act, and having enabled them to get their interest I thought the time had come when I should be paid liberally.

Q. So you made no claim until the bondholders received full interest for the bonds?—I don't think I did.

By Mr. Casgrain:—

Q. You made a statement in the House on 5th March last, on the subject of the Northern Railway. Did you read the report that was made?—I did not.

Q. The report of it of which I desire to know whether it is correct, is on page 447 of the *Hansard*.

“He had gone to the northern part of the district, and being acquainted, as he had previously mentioned, with a great number of the early settlers, he was returned as a member; but he had not become a candidate—indeed he would have been a fool had he acted otherwise—until it was fairly understood on the part of the Northern Railway and himself that his expenses would be paid.”

Is that correct?

A. Yes. I supplemented that by saying “and the people to-day.”

Q. Is this a correct one?—If I limited it to Mr. Cumberland it was an oversight.

Q. Was this reported truly as your statement?—I cannot say.

By Mr. Guthrie:—

Q. This report is true and you supplement it further with the statement that others were present?—Yes.

By Mr. Palmer:—

Q. And were parties to the agreement?—Yes. As well as they could be in such a hurried meeting.

By Mr. Bowell:—

Q. When were you first connected with the road?—I was connected with it from the first meeting that was held in the city about it, in June, 1851.

Q. When were you chosen President?—I was chosen a Director by the Council of the city in 1853 or 1854, being put on the Board by the Council, and I remained on the Board for several years previous to my being elected President.

Q. And when were you first elected President?—In 1861, I think.

Q. How long did you remain President?—Thirteen or fourteen years.

Q. Until when?—Say, 1873.

Q. Had you had any difficulty with the Board?—None whatever; always the most harmonious.

Q. Then why were you removed from the Presidency?—I was made a martyr of for my political opinions I suppose. I think Mr. Cumberland said the time had come when the directors should be of the political principles of the party who were in power, as it would better serve the interests of the Road if the President and the directors were of the same political opinions as the party in power.

Q. Did he give you any reason?—I think he went on to say that they had interests to serve that would be better served by our being replaced by men who were in the interests of the Government.

Q. Did Mr. Cumberland say to you that he had any reason other than this for the course he was pursuing?—None that I recollect.

Q. Did he say that that course was insisted upon by any outside parties—any parties who desired the composition of that Board to be changed?—He did not mention any names to me.

Q. Did he say he had had any conversation with any person on the matter?—I do not think he did.

Q. Then I understand you to say that you were removed from the presidency in order that you might be replaced by others who were in harmony with the political opinions of those in power?—Yes.

Q. And Mr. Cumberland told you so?—Yes.

By Mr. Guthrie.

Q. Was this because they wanted to compromise the claim with the Government?—I could not swear as to Mr. Cumberland's reasons further than I have said.

Q. Was that spoken of?—No, I do not think he said so; he said, on broad terms, it would better serve the interests of the road if myself and Mr. Morrison were not on the Board.

Q. Do you know of any other way that this would help the Company, except in settling the claims of the Government?—No, none.

Q. Were you, while you were President, in the habit of presiding at the annual meetings?—Yes, both the annual and semi-annual meetings.

Q. Did the statements produced show the net earnings of the Road?—They were all printed, and must have done so.

Q. Did you move the adoption of the reports?—Generally so.

Q. Then these net earnings were arrived at by crediting you with the salaries mentioned in your account?—They might have been.

Q. Do not you know that much, although you were President, that the net earnings were arrived at by crediting you with the amount of salary you received?—I do not know how the accountant arrived at it.

Q. Did you not, as President, take sufficient interest in the affairs of the Company to know how the balance was struck?—I took a great interest in their affairs, but as I stated before, Mr. Cumberland had a staff of book-keepers and clerks to manage those details.

Q. Did you receive your monthly payment by cheque?—Yes; I think I did.

Q. And I suppose endorsed these cheques?—Yes; I dare say I did.

Q. Then there is one payment of \$200 I would like to mention to you. It is entered February 29th, 1868: J. B. Robinson, Parliamentary expenses, for amount paid to him; for amount claimed by him as back salary?—Yes.

Q. I want to ask you if you got \$200 on February 29th, 1868, as being the amount then claimed by you as back salary?—On account of back salary?

Q. It does not say on account of back salary on the voucher. Did you receive \$200 as back salary in February, 1868?—Whatever the voucher says, and my name is on it, I stick to it; but I cannot tell you ten years after.

Q. I ask you if you recollected on one occasion claiming and receiving \$200 as back salary?—I do not recollect it as back salary; I only recollect it partly because you mention it so.

Q. Do you recollect getting \$200 at that time?—No.

Q. For back salary?—No; but I will not dispute it.

Q. It is entered in the book in that way?—I dare say it is correct.

Q. I want to point out to you the two items under the head of sundries you are credited with, \$250; and when we look at the journals we find that they are made up of \$50 for Parliamentary expenses, and \$200 claimed by you as back salary?—It may have been; that shows that what I have said is correct.

Q. There was a balance that half-year of \$321?—Yes.

Q. And by means of that allowance, at the end of the half year, the account was balanced exactly; do you notice that?—I see it there.

Q. Is your contra account against the Company based upon your claim for salary?—Yes; and my services to the Road.

Q. You claim salary and for your services besides?—Yes.

Q. Because I find you got \$500 in connection with the Northern Extension?—I dare say I did; I went to twenty meetings or so in various parts of the country about the Northern Extension.

Q. You got considerable sums of money from time to time for expenses, did you not?—I do not think I got considerable sums; I went to a considerable number of places.

Q. I will show you one place where you got \$400 for disbursements; on another occasion you got, as early as 1865, a considerable sum which is charged to sundries—disbursements, \$417.95; \$256.67 is an account for monies claimed to have been laid out for the Road; there is also the Grey and Simcoe Railway, \$200?—They were for travelling expenses with the deputation on contests with opposing roads; in the first place I dispute some of the items. I have not had an opportunity of looking at them.

Q. Except, as to your claim for salary?—Except that.

Q. When you got notes on account of your salary did you give receipts for them?—I cannot tell you; I gave a receipt for the amount I have no doubt.

Q. When you got notes was anything said about it being on account, or was that your own understanding merely?—It might have been my understanding, without any positive mention to the treasurer.

Q. Because I see you are charged the discount or the interest, and discount on receiving them which is contrary to what would be the case if you had any express understanding with Hamilton?—I never had any positively express understanding with Hamilton.

Q. Did you have any understanding with Mr. Cumberland that these notes were on account?—That they were on account of my just claims against salary.

Q. And that was expressly stated?—Why, he says that himself.

Q. Do you know why he charged you discount?—No; I never agreed about the discount; I never noticed it.

Q. Did you see the balance by which you were charged for it, and with owing the Company a balance?—I do not think I did.

Q. I mean the balance sheets for the years, your account was overdrawn; no doubt they would show?—They ought to.

Q. Did you see them?—I do not think I did, except with Mr. Cumberland.

Q. Did you ever make out any account, or did you ever enter into any book or memorandum of the amount you claimed?—Memorandum of my own I had.

Q. When?—Time and again.

Q. Because you are unable to fix the date?—How am I unable to fix the date?

Q. You are unable to fix the date as to when it was you set up the claim. Have

you any memorandum that will show when you first set up a claim, and for what amount?—I have not, except what I have stated.

Q. With regard to the subscription to Sir John Macdonald's testimonial. What have you got to say about it?—I have nothing to say particularly about it.

Q. Is there any explanation?—I think that Mr. Ross at that time, and myself and Mr. Cumberland, had a talk about it; and we agreed that a subscription should be given by the Northern Road, to the testimonial to Sir John Macdonald.

Q. Of what amount?—The amount that appears on the books is \$2,500, the same as the Great Western and other roads gave, as I understood.

Q. Afterwards you subscribed?—Afterwards I did subscribe to a certain amount, yes. I see Mr. Macpherson says I put my name down for \$500.

Q. Did you subscribe as a director of the railway, on behalf of the railway?—As a director of the railway. I subscribed on the understanding I had with Mr. Ross and Mr. Cumberland, that the railroad was to pay the amount.

Q. Did you and Mr. Ross subscribe at the same time?—No; I happened to go into Mr. Macpherson's office on other business, and he said, "by the way, put your name down for \$500," and I told him the understanding we had had.

Q. Of what understanding?—I don't know whether I told him; it was all done so hurriedly. I went in about another business entirely; I had not any conversation of any account at all with him.

Q. You told him of the understanding you had?—I would not swear positively to that.

Q. You say he asked you to put your name down for \$500, and you did so?—Well, I will not swear to that, by any means.

Q. You said he asked you to put your name down for \$500?—I told him I would put down my name for \$500.

Q. What understanding did you refer to?—I referred to no understanding so far as Mr. Macpherson was concerned, but remembering the conversation previously had with Ross and Cumberland.

By Mr. Bowell:—

Q. Did you tell him that this money was to be paid by the Railway Company?—No.

By Mr Guthrie:—

Q. You surely did not lead him to believe that it was a personal subscription?—He did not ask me, and I did not say.

Q. But did he understand anything about it?—I will not swear what he understood.

Q. You said that Mr. Macpherson referred to the understanding you had?—Mr. Macpherson asked me if I would subscribe and I told him I would, and he asked me to what amount, and I said \$500, and whether it was at that time or afterwards that I put down my name I don't know.

By Mr. Palmer:—

Q. Then the evidence you gave a little time ago is incorrect?—I gave no evidence.

Q. Because I understand you to say that Mr. Macpherson asked you to put down your name for \$500?—He could not have asked me, because he did not know what I was going to put down. He might have asked me to subscribe \$500, \$1,000 or \$1,500; it was merely conversation.

By Mr. Guthrie:—

You say that you, Mr. Cumberland and Mr. Ross agreed that the Railway Company should give \$2,500?—We had some conversation.

Q. Did you have an understanding, then, that it should be given in your individual names—that the subscription list should be equal in your individual names?—Yes, I think we did; I cannot speak positively as to that.

Q. Was it agreed that Mr. Cumberland should put down for \$1,000; Mr. Ross, \$1,000; and yourself for \$500?—All I can swear to is that I did put down my name for \$500.

Q. Why did not you put down your name for \$2,500?—I never intended to.

Q. Why did not you put down your name for \$2,500 as \$2,500 was to be given?—That I cannot tell you; the fact speaks for itself.

Q. Did you know at the time that you put down your name that Mr. Cumberland and Mr. Ross had each put down their names for \$1,000?—I cannot say when they put their names down.

Q. Was it an understanding that the sum should be given in your three names?—I know I put my name down for \$500.

Q. Was there any arrangement between Mr. Cumberland, Mr. Ross and yourself?—I think there was but I could not speak positively.

Q. When you put down your name you were aware that Mr. Cumberland and Mr. Ross had each put down their names for \$1,000?—I might have been aware of it, but I cannot recollect.

Q. Were you?—I cannot speak positively as to that.

Q. Did you learn that from any conversation?—I will not say.

Q. Did Mr. Macpherson mention it to you?—Mr. Macpherson never mentioned it to me.

Q. Can you explain why your individual name was put down for \$500?—No; except, perhaps, I thought it was a fair amount to give, as far as I was concerned.

Q. When you subscribed, did you see what other names were on the list?—No; but I must have seen some of them.

By Mr. Bowell:—

Q. Did you examine the list?—I was not there two minutes; I went in for another thing altogether; I remember the reason I was not there two minutes; it was because I got Mr. Macpherson to put on his hat and come out with me on another matter in which we were engaged, and I was so urgent with reference to this other matter, that the testimonial subscription never remained on my mind for a moment.

Q. There was another director of the Northern at that time?—Yes; Mr. Ross.

Q. Was not Mr. Elliott one at that time?—On what year?

Q. This was in 1871?—I don't know.

Q. There were more than three directors on the Local Board?—There were besides the three representing the bondholders, one from Toronto, and one representing the county of Simcoe; five in all.

Q. Why was it you did not consult the other directors?—About what?

Q. About this subscription?—I hardly ever consulted them about anything.

Q. Why were not the other directors consulted?—That I cannot tell. But I co-operate with Mr. Cumberland in regard to his statement with reference to that. I subscribed primarily because I knew that the stockholders and bondholders would willingly agree to that subscription.

By Mr. Casgrain:—

Q. Is there a minute of that in the record of your deliberations?—Not that I know of; I don't know that one was made.

By Mr. Guthrie:—

Q. Were you aware of the subscription of \$1,000 to the election of 1872?—No; not that I recollect. Any particular election?

Q. No; it was during the general election of 1872?—I cannot say I was.

Q. \$1,000 was given to C. J. Campbell?—I had nothing to do with it.

Q. You knew nothing of it?—Nothing whatever.

Q. When did you first learn of it; since this investigation began?—Yes; I saw something about C. J. Campbell denying it.

Q. Were you aware of the subscriptions to the *Mail* newspaper?—No; I was not; I had nothing whatever to do with it.

Q. Were you aware of the fact that they were paid out of the funds of the Northern Railway?—No, I was not; neither one nor the other.

By Mr. Guthrie:—

Q. About the draft for \$3,750 that you drew in April and May, 1873?—I drew some drafts.

Q. I wish them produced; (drafts produced); 13th March, Ottawa, 1873, \$1,000?
—Yes.

Q. Endorsed by Mr. Morrison?—Yes.

Q. Then there is one April 17th, \$750?—Yes.

Q. And one May 23rd, \$2,000?—Yes.

Q. Were you in Parliament at that time?—That is the time I was returned for Algoma, and I had just got back.

Q. That was during the Session of 1873?—I would not say that as to the last draft. I think Mr. Morrison and myself remained three or four days after the Session was over, settling up the business.

Q. The Northern Railway had a Bill before Parliament that Session?—Yes; a very important one.

Q. And there were also resolutions proposed by the Government to settle the Government claim during that Session?—Yes; and to raise further capital.

Q. Will you explain what you did with the proceeds of those drafts?

Mr. PALMER raised the question whether the Committee could follow the proceeds of the drafts.

THE CHAIRMAN :—I think the question must be answered.

A. I have no objection to answer the question.

Q. What became of the proceeds?—I tell you that we had an important Bill before the Legislature, and previous to our departure from Toronto, that is to say Angus Morrison and myself, we had a meeting in Mr. Cumberland's office about other matters, and this question came up. Recollect, in 1873, it was a very lively time with railroads, with every railroad in fact, and the Midland, the Western and the Northern had more traffic perhaps, than they could carry. It was a lively time with the Northern and a \$1,000 was as much as a \$100 is now to them. Mr. Cumberland said to Mr. Morrison and myself before we left the room: "Now, you are going down to Ottawa, and after all the terrible fights we have had contending with other roads for bonuses, I think the time has come when we ought to show hospitalities and good treatment to our customers, who may be in or go to Ottawa." At that time, also, Mr. Dodge was doing a great business on the road. I suppose he had spent \$2,000,000 in that country served by the Northern Road, and the Northern might have made \$100,000 or more out of it. Mr. Cumberland said what drafts we drew in furtherance of that proper observance of hospitalities to our numerous customers, as well as what we thought proper in the promotion of the Bill he would honour. So we came down here, and I think Mr. Morrison and myself got money from some bank, and Mr. Morrison got half and I got half. I think that, as far as I was concerned, we gave about, well, say a dinner a fortnight, to perhaps thirty-five or forty people. We gave, I daresay, five or six dinners. We had a great deal of fun, and both Grits and Conservatives enjoyed themselves at the dinners. I think I paid Kavanagh something like \$1,000; perhaps \$1,400. I am not certain which. We had five or six dinners at \$6 or \$7 apiece, 40 gentlemen or so. I forget whether I paid the printing expenses to the *Free Press* office or not; they can tell you that better than I can; I think I did. We had a great deal of printing to do; Mr. Boulton was down here; and I think the Bill was corrected and printed, but I could not speak positively as to that. I know I went to Toronto some half dozen times, and I went to Montreal too, and I expended the balance just for purposes I thought were in the interests of the Road, and to carry the Bill, which was a very important Bill. It was of essential service to the road, so we exerted ourselves to do the best we could.

Q. You say you spent the balance, over and above the dinners, for the purpose of carrying the Bill?—I know what you mean, but would not like you to put that interpretation upon it.

Q. What purpose?—I suppose you are going to insinuate that I paid some member?

By Mr. Bowell:—

Q. Well, did you?—Not a cent.

Q. Did you offer any member a consideration for his vote?—No.

Q. How was the balance spent?—I could not tell you exactly.

By Mr. Casgrain:—

Q. Was it a large amount?—Not for a railroad in 1873.

Q. Approximate it?—It was about \$500 or \$600. I do not know whether I paid the printer's bill; I do not know whether I paid the clerks. We had the whole City Council of Toronto here. There was the Mayor here, and we had to show them also some hospitality.

Q. Did Mr. Cumberland draw some other money; did you pay any hotel bills?—No, not that I recollect.

By Mr. Bowell:—

Q. Did you expend all the money you got?—Every cent of it, and more.

Q. Did you keep any yourself?—Nothing of any consequence.

Q. What became of the balance?—I really could not tell you further than that I spent it on the interests of the Road.

Q. Can you tell what became of the balance?—I cannot positively; I have not any doubt that we spent something on cabs.

Q. Did you keep any account?—Never, and was never asked for any.

By Mr. Bowell:—

Q. Did you give any to any other members to spend or liquor up with?—Not a sixpence.

By Mr. Guthrie:—

Q. You say half of the money was expended by Mr. Morrison?—He got half; yes.

By Mr. Bertram:—

Q. You paid for some dinners with your half?—I did.

Q. You say that there were thirty-five or forty, at \$6 each?—Oh, I will not say \$6; it may have been \$10.

By Mr. Palmer:—

Q. Did Mr. Morrison pay for any dinners?—I do not know; he was not living at the same place as I was.

By Mr. Guthrie:—

Q. Did you get an account from Kavanagh?—I paid him what he asked me to pay him.

Q. But did you get any account from him showing how many people he charged you for?—It was a time when railroads had a good deal of money, and we were not very particular, and Grits and Conservatives enjoyed themselves.

By Mr. Guthrie:—

Q. You surely, before paying a large amount, would have got full particulars?—I have no doubt he rendered me a bill and I paid it.

Q. Have you got the bill?—I have not.

By Mr. Bowell:—

Q. Do you know where it is?—No.

Q. You don't take care of such things?—No; not like these.

By Mr. Guthrie:—

Q. Were there any dinners given by Kavanagh except those paid for by you?—I cannot tell.

Q. Do you remember any?—I have no doubt he did; there were some lunches; it is true, as I said, and as Mr. Cumberland said, great hospitalities were offered to many gentlemen who were interested in the Northern Railway business who were down here at that time, and we spent, as he thought, what was right and proper in the interests of the Road, and did not spend it in our own interests. Mr. Dodge and many Americans who were here at the time did a very large business with the Road.

Q. How many Americans were there here?—Twenty or thirty at times.

Q. That you entertained?—Yes, I daresay there must have been that number; it was a great time with the lumber business and there were many down here.

By Mr. Palmer :—

Q. I want to know whether they were numerous?—There were twenty or thirty at times; they came from Oswego, Buffalo, Rochester and other places.

By Mr. Casgrain :—

Q. What was the object of these dinners?—To return hospitalities which we thought in the interests of the Road were due to a large number of customers who were here and who were doing a very large business over the road; there were two objects: to return hospitalities and at the same time do all we could in the promotion of the Bill.

By Mr. McCarthy :—

Q. And to make all the members feel happy on it?—Why, of course.

By Mr. Palmer :—

Q. During that session there was a pretty lively time down stairs?—Yes; by the Western and Northern, who were both promoting Bills.

Q. What became of the balance?—I cannot give you any more evidence about that, for I never kept any account of it.

Thursday, 12th April, 1877.

• Committee met.—Mr. ARCHIBALD in the Chair.

Hon. J. B. ROBINSON recalled and examined.

By Mr. Guthrie :—

Q. There is a certain letter, Mr. Robinson, will you produce it?—Letter now produced by Mr. Robinson, dated 25th July, 1875, and filed as Exhibit "A H."

Q. I find amongst the vouchers of the Railway Company a receipt apparently signed by you, dated 17th March, 1871: "Received from the Northern Railway Company the sum of \$1,050, to be accounted for, signed J. B. Robinson." Was that one of your notes?—No; I don't think it was. That was an item that Mr. Hamilton himself brought to my attention and said that he had charged it to me but he did not think it should properly be charged to me; it was something that I had got from him, instructed by Mr. Cumberland, to pay out on account of some Northern contention or bonus contention.

Q. Do you know whether you spent that for the Road as instructed?—I know I did.

Q. Do you know for what?—I think it was for the Muskoka contention or some other Northern matter; it was never for my private business at all.

By Mr. Bowell :—

Q. Was that a note?—No; it was not. I went to Mr. Hamilton and got the money and expended it in accordance with instructions to pay different people.

Q. Was it intended to be accounted for to him?—I do not know whether he got an account of it afterwards.

Q. An account of these expenditures?—Yes.

By Mr Guthrie :—

Q. I see, referring to this book, the receipts for your salary usually say, in fact for all the salaries on the Road, usually say: "Received from the Treasurer of the Northern Railway the sum of, etc., on account of salary," they all use the same expression, "On account of salary?"—Yes, it may be so.

Q. Even as far back as 1867 they appear to be in the same way; here is received \$83.35, 28th June, 1867?—Yes.

Q. All the salary receipts seem to be drawn in that way?

MR. BOWELL wished to know the object of this branch of the examination.

MR. GUTHRIE said the question was as to whether they were receipts in full or on account of this matter.

By Mr. Palmer :—

Q. As I understand, these receipts taken were on account?—Yes; Mr. Hamilton knew nothing about my arrangement with Mr. Cumberland; he was only the secretary.

Q. Speaking about your salary I do not think you have stated what your business as President was?—Well, you know what the duties were. At times, you must recollect, Mr. Palmer, that for ten years, I suppose previous to 1873 or '74 this Northern Railway had a very, very great deal of business indeed to do. It was a very prosperous time with the Road and the earnings were increasing fast; well, at the same time we were contending almost every year with rival roads to get into the best part of the country, and get as much commerce as we could for Toronto and the Road. I gave to the Road, as people know, very effectual assistance. I was always to the front in all its contests both in the city and other places, and as far as the office was concerned, at times I might be up to the office two or three times a day during these years.

Q. You were President during fourteen years?—Yes.

Q. For all this work that you did, did you get any thing at all by way of bonus or anything else except your expenses and the money charged to you? No; nothing that I recollect.

By Mr. Bowell :—

Q. That is, you were not paid for your time getting these bonuses and travelling about?—No.

By Mr. Palmer :—

Q. I believe you expected to be remunerated as President?—Yes.

By Mr. Bowell :—

Q. You were not elected President for the reasons already mentioned, that it was necessary to have some person in the directorate of the same political opinions as the Government, for the benefit of the Road. Then, in 1875, you know that the claim of the Government was compromised by the Bill introduced?—The matter was compromised with the Government in 1875 by the Bill.

Q. That was after persons got in who were of the same political views as the Government?—Yes.

Q. Let me ask you whether the arrangement was similar that was made in 1875 to that which was proposed to be made in 1875?—I think it was very much the same, but the sum demanded increased. There was an additional sum also, I recollect, afterwards of \$31,000—that is to say, that the interest upon the compromise made was charged against the Road, and it was an additional expense to it of some \$31,000 for interest.

Q. What was actually paid upon the compromise in 1875; was it the same compromise that was endeavoured to be got through Parliament in 1875?—Yes, with the above difference.

Q. If I understand it right, the compromise agreed to in 1875 was the same as was reached in 1875?—It was more. I would not speak positively as to the terms of the Bill.

Q. Well, what was the amount in each case?—I think that the previous Government had consented to take—after leaving it to Mr. Langton and Mr. Strathy, cashier of the Bank of Commerce—something like £20,000 or £25,000 less.

Q. Which was least?—The last Government.

Q. Less to what amount?—It must have been something like \$100,000.

Q. Do you know the exact figure?—No, I do not. The Bill will show.

Q. Then, when it was extended they had to pay that amount and the interest upon it?—Yes. Under the decision, as I stated before, of Mr. Langton and Mr. Strathy, that Government agreed to take \$100,000 less than did the present Mackenzie Government demand from the Road in the ensuing year, in 1874 or 1875. Then by that Bill he got, I think it was until the 1st of July, 1875, to pay up that £100,000 sterling. Owing to the great depression of all railway stock in the old country, the directors of this Northern found that they could not negotiate a loan, and asked them for a further extension of six months or a year; and that request was granted, with the condition that they should in the meantime, notwithstanding their inability to raise the principal, that they should pay the interest at the rate of six per cent. to the Government for the time granted.

By Mr. Palmer:—

Q. What, in your judgment, was the amount that the Company proposed to pay to extinguish the Government lien; was it not £100,000 sterling?—I think it was; I would not speak positively.

Q. What was the sum proposed by the Mackenzie Government in 1875?—I think as I said, it was £25,000 additional.

*To Mr. Bowell:—*When they brought down the bill for the additional time, then it was, I think it was upon an amendment by yourself, the interest was to be paid at the rate of six per cent. until the principal money was paid up.

Q. Then it was altered upon Mr. Bowell's own motion?—Yes; that is as far as the interest was concerned.

By Guthrie:—

Q. The £100,000 that the Macdonald Government agreed to take in 1873 was currency you say?—I think it was.

Q. Was that for the whole claim that the Government had against the Company?—I think it was.

Q. Bonds and lien included?—I think so; I would not like to swear positively, the Bill will speak.

Q. Then in 1875 it was compromised for £100,000 sterling?—Yes.

Q. So that the offer of 1875, the compromise, was better than the compromise in 1875 by \$100,000 in money £100,000 in bonds?—Yes.

By Mr. Bowell:—

Q. That proposal by the Government of 1875 was based upon a report made by Mr. Lambton?—Yes; and by the Cashier of the Bank of Commerce, Mr. Strathey; it was left to them to decide, and they made a report to the Government, and it was circulated in the House.

Q. Did not they report to the Government of the day, that if they received the amount they proposed to take that it would be full value of their lien on the road?—That is the nature of their report.

By Mr. Bertram:—

Q. Was it not, instead of being in full value of the lien, what the Company was able to pay?—Both, I think.

By Mr. Palmer:—

Q. What is the value of the bonds the Government still holds?—The bonds are greatly depreciated since these numerous enquiries.

(Signed) JOHN BEVERLY ROBINSON.

TUESDAY, 10th April, 1877.

Committee met—Mr. ARCHIBALD in the Chair.

Honourable FRANK SMITH sworn and examined:—

By Mr. Guthrie:—

Q. I believe you were President of the Extension Railway?—I was.

Q. Mr. Barnhardt was Vice-President?—He was.

Q. Upon the amalgamation of the Northern Extension with the Northern, certain amounts seem to have been voted by the directors to the shareholders of the Northern Extension. You were at the meeting?—I think I was.

Q. According to the book the meeting was held on the 1st June, 1875, and the meeting of the shareholders on the same day?—Yes; I think that was about the date.

Q. Amongst the amounts voted at the special general meeting of shareholders, appear to have been, to you, as President, \$4,000; to the Vice-President, \$1,250; to the Board of Directors, \$8,000, making \$13,250?—I think that is correct.

Q. How was the amount distributed?—I think it was all put into one pool. I speak to the best of my knowledge. I declined to take the \$4,000; Mr. Barnhardt

also declined his. We said that when the Company would be out of debt, if there was something left we had no objection to take the same as the rest.

Q. How much did you get of that \$13,250?—When it was allotted I got a note; the note was for \$2,559.86 to the best of my knowledge.

By Mr. Palmer :—

Q. Does that include your stock, or was it just a division of the pool?—No; that does not include my stock.

By Mr. Guthrie :—

Q. You got a note for that amount from the Northern Railway, as being your share of this \$13,250?—I got it from the Company. I would not say that it was from the Northern. I forget whether it was the Northern or the Northern Extension winding up.

Q. I suppose it would be by the Northern, as part of their purchase?—I think so.

Q. What did you get for your stock?—I have not got any money yet.

Q. What have you got to represent it?—I got a note.

Q. For how much?—For \$2,848.11.

Q. How was that made up?—It was made up according to Act of Parliament.

Q. That is 10 per cent. interest and 12½ per cent. bonus?—I would think so, but I could not say that positively; but it was made up according to Act of Parliament.

Q. The Act permits the Northern to pay 12½?—It was upon that basis that it was settled.

Q. What other gentlemen got the rest of the \$13,250?—In saying they all got it I only supposed they got it; I know they should have got it; it was allotted to them.

Q. Who did you understand were entitled to it?—Frank Smith, Noah Barnhart, John Turner, W. H. Howland, H. L. Hime, Captain Hincks, Gordon Brown, J. D. Edgar—eight.

Q. Who paid those parties; who was the payer?—I don't know, but I think notes were issued for the whole amount.

Q. Separate notes to each individual?—As far as I was concerned, it was so. I can only speak as to what came to me.

Q. Did Captain Hincks, Mr. Brown and Mr. Edgar get a share of that as well as their stock; do I understand that?—I understand they got it—all but Gordon Brown.

Q. I am told that Mr. Brown and Captain Hincks did not?—Oh, I'm sure Gordon Brown did not get it.

Q. Who got the share of the \$13,250; among whom was that divided?—That was amongst the directors.

Q. And who were they?—Frank Smith, Mr. Barnhart, Mr. Turner, Mr. Howland, and Mr. Hime.

Q. That was divided into five?—I think so; I am speaking from memory.

Q. So that Captain Hincks, Mr. Brown, and Mr. Edgar did not get any part of the \$13,250?—I don't think they got it. I won't say that positively from memory. I really don't recollect that.

Q. If you divide \$13,250 amongst five people, you will just get the amount of your note; so that the amount of your note bears out your impression?—Yes.

Q. Captain Hincks, Mr. Brown, and Mr. Edgar, however, got paid for stock, although they did not get any of this money?—I think so.

Q. And I suppose they got paid at the rate fixed by Act of Parliament?—I think so.

Q. Here is a list of stockholders in the Northern Extension. Do you happen to remember all who they were?—I don't remember all of them.

(List of stockholders is shown to the witness.)

Q. I understand what is called a syndicate was formed, to buy up the outstanding stock, and it is said you were a member of that syndicate?—The syndicate was formed for the purpose of carrying a heavy liability that we had, for the purpose of trying to raise means to finish the work; and it was thought that the smallest stock-

holders would be more troublesome to satisfy, and we put it in that shape, and bought them out and paid for their stock.

Q. I understand the syndicate assumed very heavy liabilities?—We did, sir; I think it at one time would have reached close on to \$200,000.

Q. You had a bond or agreement amongst yourselves, had you not?—Not that I am aware of.

Q. But do you not remember; Mr. Cumberland said there was a writing?—I don't know of any writing; I don't think there was any agreement.

By Mr. Palmer :—

Q. You don't mean that there was no writing, or that there was no agreement?—I have never seen it to my knowledge.

By Mr. Guthrie :—

Q. Mr. Cumberland spoke of one?—That may be; there are a great many papers pass on the Board that I would not recollect of.

Q. At all events, the Syndicate, which consists of eight gentlemen, assumed these liabilities, and they were actuated by the motives you mentioned?—I think so; that was my intention.

Q. Who acted for the Northern in these negotiations for amalgamation?—It was Mr. Cumberland.

By Mr. Palmer :—

Q. You say you assumed large liabilities; do you mean personal liabilities or liabilities as stockholders of the Northern Extension?—I mean that the Company would not have got the money unless there was a personal responsibility.

Q. Can you tell us to whom you became personally liable?—I got a great deal of money out of two institutions; that is, the Company got the money through my influence.

Q. Mr. Cumberland said it was simply a liability of the Company?—So it is; but the Company as a company could not have raised the money unless there were some responsible men in it.

Q. You didn't mean to assume any personal liability; of course you will be liable for whatever stock was not paid?—I know I assumed a personal liability to a certain extent; I told the institution from which we borrowed that I would see it settled.

Q. What security did they get for their money?—Notes of the Company.

Q. Your liability, if I understand it, was that you pledged your word that it should be paid?—Yes; I said that I would see it put all right.

Q. You did not give any written liability?—No.

Q. Was it an arrangement between you that any of you should become personally liable?—I don't think it.

Q. Was anybody personally liable but yourself?—I scarcely think there was; that is, the Company were all liable.

Q. I think you said that you received this money. Did you get any salary as President?—Not a shilling.

Q. Well, if I understand it, you did not refuse it because you did not think you were fairly entitled to it, but you thought you would not take it if the Company owed money to other people?—I knew I was fairly entitled to it, because I worked very hard the whole winter and another summer trying to get bonuses; but I made up my mind that until the Company was perfectly out of debt I would take none of their money.

Q. Then if I understand, you were not only President, but you took considerable part in promoting the Company?—I did.

By Mr. Guthrie :—

Q. I suppose the \$1,000 referred to in the first allotment was for personal expenses?—To the best of my knowledge the \$1,000 was pooled as well as the rest.

By Mr. Bowell :—

Q. That \$1,000—Mr. Cumberland stated that it was paid to you?—I am satisfied that it was voted to me.

Q. Did you so appropriate it?—I did not, to the best of my knowledge.

Q. What did you do with it?—I did not take it. I think it was put where the \$4,000 went to. I think it was voted on the same day, and it all went the same way.

Q. Did you not expend it in any way?—I think not; I have no recollection of taking any money for my own use.

By Mr. Guthrie :—

Q. Have you any recollection of having moneys to cover your outlays?—Not at that time.

By Mr. Bowell :—

Q. At any other time?—Yes; I recollect getting \$1,000.

Q. What was that for?—There was a suit entered in Chancery against the Company.

Q. What for?—Against our getting the bonus from Toronto.

Q. That was after the bonus had been voted?—After the money had been voted, and I paid \$1,000 to the party to withdraw the suit.

Q. Who was the party?—I don't suppose it is necessary to know the party.

Q. Who is the party who got the money; we have a right to know that?—I gave it to the party's lawyer.

Q. Who is the party's lawyer?—James Carruthers.

Q. Now, who was the party for whom it was intended?—James French.

Q. Where does he live?—In Toronto.

Q. Was he the relator; did he sue out the injunction?—I think so.

Q. Then this \$1,000 went to buy him off?—No, to pay the costs.

By Mr. Guthrie :—

Q. I see in the early part of the history of the Road that considerable sums were given to you in connection with what Mr. Cumberland calls bonus-hunting—getting bonuses?—Given to me? there was a large amount of money spent.

Q. What amount?—I really could not say, but the books will show.

Q. Have you any account of the moneys received by you, and expenses?—I have not; I received none personally, but, as I told you, I made some little trifling disbursements or other.

Q. Well, there are moneys charged to you?—Well, it was charged that way. We had a very hard battle to fight; we had the Port Hope road and all the power they could bring; and then we had a good deal of trouble in Toronto. We spent a great deal the part of one winter in the back townships Oro, Barrie, Rama, and then the following summer we made another attempt to get a bonus in Oro, which cost a good deal of money, and we were defeated each time.

Q. The moneys charged to you are sometimes \$1,000, and on one occasion more?—I don't know that they were charged to me, but if they are it was for that purpose. I did not handle the money myself.

Q. Did you happen to know how much the Northern Extension advanced to the Couchiching Hotel Company?—The amount charged in the books is over \$45,000. I know we advanced a good deal; I cannot say the figures.

Q. What became of that debt?—Do you mean so far as the Extension Company is concerned?

By Mr. Bowell :—

Q. How is it that the Company assumed liabilities to the amount of \$200,000?—I will not say exactly.

Q. That is when the syndicate was formed?—Yes, we were in debt close on to that amount.

Q. What property did you represent with \$200,000?—We had the Road.

Q. What length?—I cannot tell exactly by a mile or two, but I think about seventy miles.

Q. What was the supposed value of the property; that is what I want to get at; what is the amount that had been expended on the property?—I cannot tell that without looking at the figures.

Q. Approximate it. If you assumed a liability of \$200,000, surely you had something to represent that; what I ask is: what do you think you had to represent

that?—We had the road from Barrie to where we built it, and the other way from Collingwood to Meaford.

Q. Now, what is the probable cost?—I cannot tell you the value of it; I can tell you what we got for it.

Q. Tell us the cost?—I cannot tell that without going into figures—between \$24,000 and \$25,000 a mile, about fifty miles; it strikes me there were seventy miles.

Q. Did the seventy miles cost \$24,000 a mile?—No, not just at that time; I do not think so.

Q. How much of it had cost that?—I could not say.

Q. Fifty miles, that is what the solicitor says?—It is possibly about fifty miles.

Q. Then when this syndicate bought this stock, for which they paid some \$13,000, they assumed liabilities of \$200,000, for which they hold a property which had cost \$1,200,000?—It is hard for me to remember all these things.

Q. The statement put in shows the property cost at that time \$1,433,314; when the syndicate was formed \$13,800 was raised to pay for the stock?—Yes.

Q. Who furnished that money?—The company.

Q. The syndicate—eight persons?—Yes.

Q. Did they advance any money or give any notes, or how was it done; I merely want to know who advanced the money?—Well, the Company was to pay that; the Company was to buy the small shareholders out and carry it for a time and the Syndicate was then to pay up, which they did afterwards.

By Mr. Palmer:—

Q. You mean the syndicate?—Yes.

By Mr. Bowell:—

Q. Did you advance money for the payment of this stock, or did the syndicate give their notes, and was it that these notes were kept floating until you made your agreement with the Northern and paid this money?—I think the most of the syndicate gave their money or notes.

Q. Did Mr. Barnhardt advance any money to purchase that stock, or give his note? Did Mr. Turner, Mr. Smith, Mr. Howland, Mr. Hime, Mr. Brown or Mr. Edgar? Did you negotiate all this paper until you sold it?—I think that was the way it was done to the best of my knowledge; but the syndicate paid up their proportion, except one, who was charged back with the interest.

Q. Until you sold out to the Northern?—I think it was.

By Mr. Palmer:—

Q. There is one thing liable to misapprehension; you said the Northern Extension is indebted about \$200,000?—I said that at one time it was.

Q. Do you mean about that time?—I do not know whether that was the heaviest time or not. I could not say positively that that was the heaviest responsibility.

Q. At all events it was in debt when you formed the syndicate?—It was; very largely.

Q. Whether it was \$200,000 or not you are not prepared to say?—No.

Q. After the syndicate it was a company that was in debt still?—Yes.

Q. Besides the liability that you incurred for the purpose of raising the money to buy out these small stockholders there was no other personal liability on the syndicate?—I think not.

Q. It was that way when you bought the stock and the debt continued?—Yes; but we supposed the smallest holders would be wanting dividends, and we knew we would not be able to pay them; we had not any idea of selling out at that time, and we wanted to get into the smallest compass and carry it on.

Q. It appears that the Company was in debt and continued in debt, and how this Company assumed the liabilities, I cannot say?—They were the men who worked the Road, and it belonged to them.

Q. The liability and the working of the Road is the same thing?—No, it is not; it was a private Company, and stood so until the time of sale; it was a corporation not connected at all with the Northern Road or with the Government, and so long as

the Company agreed, they had a right to do so as they thought proper for the benefit of the undertaking.

Q. Yes; but it had its own liability. How do you make it out that the syndicate was liable; it was merely the Northern that was liable?—We formed that syndicate.

Q. The fact is you formed the syndicate to get the stock?—To carry the indebtedness.

Q. How do you mean?—We were heavily indebted at the time.

Q. And the Company that had that?—Well, I am speaking of the Extension Company.

Q. I am speaking of the syndicate; I want you to distinguish between the syndicate and the Company?—There is very little difference between the syndicate and the Company, they are very nearly the same persons; we stood in the same position exactly as a syndicate with the exception that we bought out the small stockholders.

By Mr. Guthrie:—

Q. And of course you assumed the liability for the unpaid portion of the stock which was pretty serious?—Our unpaid portions.

Q. There was only a portion paid up?—That was all.

Q. You did not mention in any one of your answers whether, at the time you formed the syndicate you had any idea of selling out to the Northern?—None.

Q. Then it was not with a view to that that the syndicate was formed?—Not at all. It is like this: The fewer stockholders there are the easier it is carried on.

By Mr. Palmer:—

Q. I notice that the amount of subscribed stock is \$65,000, and the paid up, \$13,800. You and each individual member of the syndicate are liable for the balance between \$65,000 and \$13,800?—Liable to whom?

Q. Supposing the Company failed, they could not call on the syndicate for more than \$65,000?—I don't think they could.

Q. Then you are liable for what you put in?—For what we put in and the balance that was not subscribed. We were liable to be called upon for whatever unpaid stock there was.

Q. You spoke of a liability of \$200,000; that is the liability of the Company, but it was only possible for you to lose the amount you had paid in on the stock, and the balance of the stock subscribed but unpaid?—That is all; unless by a personal guarantee which we would be held for.

By Mr. Guthrie:—

Q. Unless you had borrowed any from the bank and become personally responsible?—That is what I stated before. We became responsible for an amount of money in the meantime.

By Mr. Bowell:—

Q. You pledged yourself for it that it would be paid?—Yes.

By Mr. Palmer:—

Q. And you were personally liable?—I gave my word.

By Mr. Guthrie:—

Q. About these hotel advances; I was asking you what had become of that debt of \$45,000, apparently advanced to the Couchiching Hotel Company?—I believe we paid it into the hotel and our hotel was burned down.

Q. What became of the insurance money?—What was put into the hotel was put in, in my judgment, for the benefit of my Company, as well as the Northern Railway. I am satisfied it benefitted both. In fact, we wanted to aid the hotel for the purpose of bringing traffic to the Road.

Q. Was this a loan to the Northern Company or a gift?—It was a loan in the meantime, but I always considered it as a gift or a bonus.

Q. By the Act of Parliament permitting amalgamation there is a provision that debts due to the Northern Extension shall be transferred to the Northern?—Yes; but that was not a debt; we did not call that a debt.

Q. You did not transfer it then?—No, Sir; that is, when we got the insurance from the Company we paid all our debts.

Q. But there was a balance of a considerable amount; I think it was \$13,000 or \$14,000; that amount was divided among the original shareholders of the Hotel Company?—Yes, it would amount to 46 cents on the dollar, allowing interest on the money from the time it was put in.

Q. If the hotel was for the benefit of the Railway why was not the balance of the insurance money applied to rebuilding?—People will go into speculations, and they are not always prepared to go through the same trouble and turmoil again; I spent a great deal of time and hardship and trouble with both the railway and hotel, and the Northern Railway has security for all the money they put in.

Q. They have a mortgage?—They have a mortgage on the buildings now standing on the land; there was a great deal of work to be done round that property; roads to make, improvements to make, and it was all for the benefit of the undertaking.

By Mr. Bowell :—

Q. To establish a summer residence?—Yes.

By Mr. Bertram :—

Q. Was there an understanding between the members of the Hotel Company and the Board of the Extension Company when they went into the hotel that they were to get an advance for this hotel?—I cannot say that there was any such understanding.

Q. The reason I ask that is that I fancy that the persons who compose the Company of the Couchiching Hotel before building a hotel of that size, would sit down and count the cost?—The cost turned out very much larger than was at first thought.

Q. And you had no understanding that they were to give you any advances in money when you commenced building?—Not to my knowledge.

Q. Did you make application then for this bonus?—Oh, yes; of course an application was made.

Q. By the Hotel Company?—I should think so.

Q. I don't know whether you were a stockholder?—Unfortunately, yes. I got 46 cents back on the dollar. The gross amount was 63½ cents, but I looked to see what was the sum we got on other accounts, and I find that I received 46 cents and interest, the same as other gentlemen received.

Q. You were President of the Extension Company?—Yes.

Q. Who was President of the Hotel Company?—Frank Smith.

Q. So Frank Smith of the Hotel Company made application to Frank Smith of the Extension Company for the bonus?—Yes.

Q. And Frank Smith gave it to him without much trouble?—Very likely.

By Mr. Palmer :—

Q. If I understand you, you did not give the money to the hotel at all?—We did it for the benefit of the hotel.

Q. That is to say, that when Mr. Frank Smith of the hotel applied to Mr. Frank Smith of the railway for the money, you did not have much dispute about it?—I don't know that they did. We were a private Company, and we did not think we were doing any wrong by assisting our undertaking.

By Mr. Bowell :—

Q. You still hold the property?—The Hotel Company still own the land and whatever is upon it. The Northern Railway has a mortgage of \$10,000 for moneys advanced.

Q. Was that looked upon as a bonus from the Northern as being mutually aided?—I think not. The Northern Railway went into it in good faith, expecting that they had good security.

By Mr. Palmer :—

Q. Tell me if this railway money was intended as a gift by the Northern Extension to this Hotel Company?—I don't know that I can say that it was an out-and-out gift, but I consider it was given in the shape of a bonus.

Q. I don't know what you mean by a bonus; was it intended to be a debt or not? If it was a gift, will you tell this Committee how it was that you took a mortgage for \$10,000?—We did not take a mortgage for \$10,000.

Q. Mr. Cumberland swore distinctly that, first of all, they took a mortgage to secure \$10,000. If it was true that it was a gift, how do you account for the mortgage?—Well, the Northern Railway had no power to give us anything without getting security.

Q. Then if they had no power to give, how did you take it to be a gift?—What I mean to say is that we did the best we could; we wanted the work finished, and we did it in that way.

Q. Are you prepared to state whether it is not true that this Hotel Company owed this Northern Extension Road for the money they had advanced?—There was so much put in from the Company to the Hotel.

Q. Was it not a loan?—I think scarcely a loan.

Q. Had you not a mortgage to secure it?—If we had, we had to give it away.

Q. Was there any agreement that it should be a gift?—I cannot say that there was.

Q. Were there not some stockholders in the Northern Extension that were not stockholders in the Hotel Company?—I think there were.

Q. Surely you know, as an officer of the Company, you had no right to take the money without an order of the Board and the consent of the stockholders?—I am satisfied we had the consent of the Board for whatever we did.

Q. Where is that consent?—I could not tell you.

Q. Well, you simply took the money without agreement, and how can you make it out a gift?—I cannot say exactly that it was a gift.

Q. The fact is when you gave it, it was a loan; but when you got the insurance money, you took it for a gift?—However, no matter in which way it was, nobody lost anything by it.

Q. Have not the Northern lost by it?—No; they have not. They have gained.

Q. Why?—They have security for every dollar they have advanced.

Q. Supposing the Hotel Company owes \$46,000 to the Extension, and the Extension is handed over to the Northern, will not that belong to the Northern?—I know this: that the Northern Railway has security for all the money they lent.

Q. That is what they lent themselves; but I am speaking of the money the Northern Extension lent; I want to know whether the Northern Railway had a right to all the assets of the Extension Company?—No; they had no right.

Q. If it is true that the Hotel Company owed the Extension Railway before the amalgamation; then after amalgamation the Hotel Company must owe the Northern the same amount of money?—No, they don't owe it, that was not an asset of the Northern Extension, and was never looked on as such.

Q. But the law says so?—I don't care what the law says; the understanding was that—

Q. But what is it under the Act of Parliament?—I know what the understanding was at that time, and how we felt at that time.

Q. If I understand aright, this \$46,000 was utterly ignored and treated as a gift?—That is just what I said at the first, and that is that I believe at this moment it was a gift. The Hotel could not have gone on if we had not done so; I am satisfied that the Northern made a great deal of money by that transaction; I am satisfied that from the Hotel being there and from the course we took in that way, the Northern made from \$6,000 to \$7,000 a year, clear money.

By Mr. Bowell:—

Q. At the time you formed the syndicate, did you expect to dispose of the road?—No; I had not any idea of so doing.

Q. Not of disposing of it?—No; my feeling then was not to dispose of the road, we had no such idea, and the Northern Road would never have got the road only the burthen of indebtedness was so heavy to carry; and the Northern Road got in my opinion a very great deal more than they should have got.

Q. Then when you formed a syndicate, you did it for the purpose of constructing the Road, owning it and running it?—As a Company, money got very hard, and the Company found it very difficult to carry, and we lost a great deal both as a Company and personally.

By Mr. Palmer :—

Q. You had a good bargain, but you sold it out at a bad rate?—Yes; it turned out bad, because we preferred to make a bad bargain with the Northern rather than carry the debt.

Q. And personally you lost money?—I do not say that personally I did; I think you will find that I did not make anything.

Q. Why, you bought it at par and sold at 10 per cent. on that, with a 12½ per cent. premium?—If you consider the hardness of times, and the money we spent, and the risk and the personal responsibility, you will not think that we made such a good bargain. I believe the Northern got \$150,000 or \$250,000 of a bargain that they would not have got, if times had not been hard, and we had not wanted to carry the debt.

Q. If that is true, the syndicate, when times were not so hard, got a very good bargain?—I want to say more: in my opinion, the Northern Railroad would never have been able to pay the Government a dollar, had not those branches been built; and it is by the exertion of that Company that the Northern Railway has been able to go on in that way, because of the extension feeders to it. I think we were more hardly dealt with than any other company that ever came before Parliament; I mean that the present Minister of Justice was more determined to give us a severe Bill than in any other Bill that I recollect of before Parliament, and he persevered in so doing.

By Mr. Killam :—

Q. Did any gentleman connected with the Extension Company oppose the Bill or amalgamation?—Not to my knowledge.

(Signed) FRANK SMITH.

TUESDAY, 10th April, 1877.

Committee met—Mr. ARCHIBALD in the Chair.

Mr. J. G. BROWN was called, sworn and examined :—

By Mr. Guthrie :—

Q. We understood from Mr. Cumberland the other day that the Northern Railway Company had given \$1,000 for a patent right in which you were interested—Oakley's patent?—Yes.

Q. Who got the money?—The patentee, Mr. Oakley.

Q. Did you get any of it?—None.

Q. Did you believe in the patent honestly at the time?—Thoroughly; I spent a good deal of money on it.

By Mr. Bowell :—

Q. You say you spent money on it?—Yes.

Q. In what way?—In taking out patents, in travelling expenses in connection with it, and other things.

Q. You sold the patent to the Northern for \$1,000, and handed over the money to Oakley?—Yes.

Q. What did you get in return?—Nothing. I along with others was to get a certain share of the profits, after the patentee was paid.

Q. You purchased the patent from the patentee?—Yes.

Q. How much were you to give Oakley?—\$2,000, I think.

Q. And the \$1,000 you obtained from the Northern went in liquidation of the debt to the patentee?—Yes.

Q. Who is Mr. Oakley?—A mechanic in Toronto.

By Mr. Palmer :—

Q. Was there a written agreement with Mr. Oakley?—I cannot say whether there was or not; it's a long time ago, and I have nearly forgotten all the circumstances.

Q. How long ago was it?—In 1869.

Q. Can you tell me all the terms of your arrangement with Mr. Oakley?—I have really forgotten all the terms. I only remember generally that the patentee was to get \$2,000.

Q. What were you to get for that \$2,000?—The right to use the patent, after he was paid. Mr. Oakley also retained a share in the Company, but how much I cannot tell.

Q. What you mean is that the Company were to own it—or rather the right to use it?—Yes.

Q. Then out of the first profits you were to pay Oakley \$2,000, and then it was to belong to you?—Yes.

Q. Were you liable to pay the \$2,000 at all?—No, I think not; I think it was to come out of the profits of the Company.

Q. It was simply that you were to promote it, and only pay the \$2,000 in case you got it?—Yes. I think that was the way.

Q. And all that came in after that—all that went beyond the \$2,000, belonged to yourself and the other members of the Company?—Yes.

Q. Were you at liberty to sell it out to the Company?—No, I should think not. The Company was formed to work it and sell it to others.

Q. Who were the Company?—I can only tell you some of the names; I have forgotten the others. There was Mr. Hugh Miller, and Mr. Morgan—I don't recollect the other names.

By Mr. Bertram :—

Q. Was Mr. Ridout interested in it?—He had some interest in it, but I cannot recollect in what way.

By Mr. Palmer :—

Q. What was the capital to be?—I cannot tell.

Q. Have you no idea?—I have no idea at the present time.

Q. Had you a scheme or an agreement completely formed?—I cannot recollect the nature of the agreement; it has gone out of my mind entirely.

By Mr. Bowell :—

Q. Was it a Company formed under the Joint Stock Companies' Act?—No; I fancy there was an intention to organize more perfectly at a future time. Mr. Morgan, who was a lawyer, arranged that.

By Mr. Palmer :—

Q. What I want to know is, whether you ever realized any other sum from the patent, except the \$1,000 from the Northern Railway?—Never. I believe other sums were paid to the Company after I ceased to have anything to do with it.

Q. That was the only sum in your time?—Yes.

Q. How did you get rid of it?—I dropped it, and took no further interest in it.

By Mr. Bowell :—

Q. When you say you dropped it, you had a certain amount of stock in it?—I suppose I have now. I took no more interest in it.

By Mr. Palmer :—

Q. Were no dividends paid?—None.

Q. Were any calls made upon you for stock?—No.

By Mr. Guthrie :—

Q. How much did you lose by it?—About \$800.

By Mr. Bowell :—

Q. How was that?—It involved a good deal of expenditure and I undertook the responsibility. It cost \$500 at that time to take out a patent in the United States, and I paid that amount.

By Mr. Palmer :—

Q. Did you pay it before you received the money from the Northern Railway?
—I cannot remember as to that.

Q. You paid for taking the patent out in the United States?—Yes.

Q. Personally?—Yes.

Q. How was the balance of the \$800 made up?—Were there legal expenses?—
No; I think not. I cannot remember how the other expenses were made up.

Q. You say you have lost \$800; if you received \$1,000 and lost \$300, that would
be \$1,300 which you received in all?—No; I think not. The \$1,000 was not owing
to me but went to Oakley.

Q. Then, although you made this expenditure of \$800, you allowed the \$1,000 to
go to Oakley?—Yes.

By Mr. Bowell :—

Q. How was the money paid?—By note.

(Note and voucher produced.)

By Mr. Bertram :—

Q. You say that a company was formed with regard to this patent. Did you
sell it to any company other than the Northern?—It was sold to the narrow gauge
railways.

Q. It was brought to their notice in the same way?—Yes.

Q. Do you know the amount they were to pay?—They agreed to pay \$500 each.

Q. Was it offered to any one else?—It was offered to an Indian Railway, and, I
believe, put on one road, but I am not certain of the facts about that. Sir Charles
Fox & Sons undertook the agency in England, and either put it on one road or
endeavoured to do so, I forget which.

Q. Had you no agent in the United States to push the sale of it there?—Yes;
there were two agents, I think, at different times, but they were not really well
selected, for they did not produce any results. I suppose their failure was owing to
their not possessing the proper qualifications for pushing the patent.

Q. I understand you had it patented in the United States?—Yes.

Q. And part of the \$800 you lost was in taking out the American patent?—Yes.
\$500 of it.

By Mr. Guthrie :—

Q. With regard to the stock in the Northern Extension, I believe you formed
one of the syndicate?—Yes.

Q. Did you sign any agreement in writing?—Yes; I signed an agreement in
the office of Mr. W. H. Howland, which bound me as one of the co-partners to the
syndicate.

Q. You have heard Mr. Smith's statement this morning as to the object of the
syndicate?—Yes, and it agrees perfectly with my recollection of it so far as it goes,
but I had at that moment the additional idea that the Pacific Road was to be built
very speedily; my idea was that the Northern Extension would be carried still
further and connect with the Pacific.

Q. In the interests of this city?—Yes, that was one reason why I went into it.

Q. When you entered into the syndicate did you understand as to how the
money was to be raised; the stock was to be purchased at par from the small holders,
was it not?—Yes.

Q. Had you any idea as to how the money was to be financed for?—Mr. Edgar
informed me that the money was to be raised by note, and carried until the road was
finished.

Q. Was this after or before the bonus was obtained from the city?—About a
year after, I think; probably a year and a half, but certainly after.

Q. Was there then any idea of selling out to the Northern or amalgamating?—
No; their idea was that the Northern Extension would be a better road than the
Northern.

Q. And continue an independent line?—Yes.

Q. Just as stated by Mr. Smith?—Yes:

Q. What amount of money did you get when the roads amalgamated?—\$341.

Q. Did you understand that you got any part of the money voted to the directors, or the President, for their services?—No; I was told that as I was not a director, I had no share of that.

By Mr. Bowell :—

Q. You understood you were not a director, and had no right to a portion of these monies?—Yes, I understood so, of course.

By Mr. Guthrie :—

Q. You understood that you simply got the profit on the stock you were responsible for?—Yes; deducting the interest paid.

Q. You say you signed an agreement in Mr. Howland's office, by which you became responsible for your share; had you paid anything on that?—No.

Q. Just explain your position in regard to that?—I was asked some short time after the syndicate was formed to pay up my share of the money necessary to buy the stock, but I declined to do so. The sum mentioned was about \$1,800.

Q. As your share?—Yes. I held that it was essential to my safety in the matter that the gentlemen whose business capacity I relied upon to see the thing through, should not be in a position to separate their interests from mine. I preferred to continue the original bargain.

Q. Did you make any offer at that time?—I made an offer that if they would count me out, and relieve me of responsibility, I would agree to that.

Q. Was that offer taken?—I don't know that I ever got a distinct answer as to whether they would or not, but in the end I was treated as one of the syndicate.

Q. Did you consider yourself responsible to the last?—Most undoubtedly.

Q. When you made the proposal that you should be released of all obligation, you were perfectly willing to go out without anything?—Without anything.

By Mr. Palmer :—

Q. Had you anything to do with the hotel?—No.

Q. If I understand you, you had no interest in the hotel?—No; I had no interest in it whatever.

Q. Did you know that this money was given away for the Hotel Company?—No; I never attended any meeting, and never looked into any of the papers.

Q. You trusted to business men and to Providence?—Yes. It was the business of the directors, and I was an ordinary shareholder and knew nothing about the hotel.

By Mr. Bowell :—

Q. You say you entered into this syndicate in the interests of the city?—Partly. I accepted Mr. Smith's explanation of the money part of the business.

Q. Then really you never paid any money?—Yes; I paid the interest at the winding-up.

Q. But I understood you never paid anything?—Yes, it was deducted from my share.

Q. It could not have been deducted if you never had it?—I would have got the whole amount had it not been deducted.

Q. Did you ever advance any money out of your own pocket towards the payment of the stock?—No.

By Mr. Bertram :—

Q. Did you undertake a liability?—Yes.

Q. How did you undertake a liability?—By signing the agreement.

Q. Did you give any notes?—No.

Q. Endorse any?—No.

Q. You simply became responsible, under this agreement, for your share of the loss or gain as the case might be?—Yes.

Q. They negotiated the notes, and carried the debt on behalf of the Company?

By Mr. Bowell :—

Q. You gave your name to the syndicate?—Yes.

Q. With the expectation of assuming any responsibility with the others and reaping any benefit that might arise?—Yes.

Q. How much money were you asked for?—About \$1,800.

By Mr Bertram :—

Q. When this syndicate was formed, was it the understanding that none of the members of the syndicate should advance any money personally?—That was the understanding.

Q. And you were only asked to contribute this money because the rate of interest had risen higher than the members of the syndicate thought they should pay?—I don't say that; but it was a change of plan which I did not approve, no matter whether it was the rate of interest or not. I did not wish to change the plan.

Q. You did not want to be charged individually with your stock, apart from the rest of the syndicate, which you would have been if you had paid up the stock?—Yes.

(Signed) J. G. BROWN.

TUESDAY, 10th April, 1877.

Committee met.—Mr. ARCHIBALD in the Chair.

Mr. CHARLES J. CAMPBELL sworn and examined.

By Mr. Guthrie :—

Q. You reside in Toronto?—Yes.

Q. Mr. Cumberland, in his evidence before us, said he was under the impression that you were the gentleman who had spoken to him when he subscribed to a contribution for the election of Sir Francis Hincks, in North Renfrew, in 1869?—I see he made that statement.

Q. Was his impression correct?—It was entirely incorrect, as he subsequently explained to the Committee. I had nothing to do with Sir Francis' election, or any money connected with it.

Q. He says also, that in 1872, you got two sums of \$500 each, for election purposes?—Yes, that is correct.

Q. In August, 1872?—I think it was; at all events, it was the summer of 1872.

Q. Were they contributed in aid of the Conservative candidates?—They were contributed, generally, for the election fund, not for any special candidate.

Q. For what side?—For my friends; for the Conservative side.

Q. You were acting for the Conservatives, of course?—Yes.

Q. Were you treasurer of an election fund?—I was treasurer to an election fund.

Q. Had you applied to Mr. Cumberland to subscribe?—No, I had not.

Q. How did you come to get the thousand dollars?—Mr. Cumberland wrote me a note, enclosing a cheque for \$500.

Q. Have you got the note?—No, I have not.

Q. I do not mean, have you got it with you; but, can you get it?—No, I could not. I looked through my letters before I left, but I could not find it.

Q. Well, then there was another sum of \$500?—There was a subsequent cheque for \$500.

Q. How did that come to you?—That came from Mr. Foreman, an employee of the Road. He is the accountant or secretary, I think. I do not know what his official position was at the time; but he was on the railway, holding some position.

Q. Was that applied for?—In the note that Mr. Cumberland wrote me, he stated that if I wanted another \$500, I could get it by applying to Mr. Foreman. I think he was going to England at the time. I did want another \$500, and I wrote for it and got it.

Q. Is Mr. Foreman the present accountant of the Northern Railway?—I do not know.

Mr. Barlow Cumberland said that Mr. Foreman was a clerk then, but was accountant now.

By Mr. Guthrie :—

Q. Is that all you received?—That is all I received.

Q. From that source?—From that source.

By Mr. Bowell:—

Q. Did you ever have any conversation with Mr. Cumberland in reference to the money sent to Sir John Macdonald?—The money which I received?

Q. No, not the thousand you received, but the thousand you did not get?—The thousand for Sir Francis Hincks' election; never.

Q. When the other thousand dollars was paid by Mr. Cumberland, had you any knowledge, directly or indirectly, that it was to be paid out of the Northern Railway funds?—No; I certainly did not.

Q. Had you any reason to suppose or believe that it was paid out of that fund?—No; at the time I did not think it came from the Northern Railway.

Q. Then I understand you to say that you supposed it was a private subscription by a private gentleman?—I so considered it.

Q. When did you learn that it was?—I never suspected it until the whole question came up about the Northern Railway expenditure.

Q. This Commission, I suppose?—The Commission.

By Mr. Bertram:—

Q. You are an intimate friend of Mr. Cumberland, I believe?—Yes.

Q. The reason I ask you is that Mr. Cumberland said in his evidence in speaking of this \$1,000 subscription that was got by you from him in 1872, said that he had many such conversations with you, as if it was a very ordinary matter that such a transaction would be gone into?—I noticed he made that statement, but I think it is incorrect. I have no recollection of any other conversation with him.

Q. In fact you had no conversation with him at all about the matter; you say he wrote to you?—No.

Q. You never spoke to him about it?—I have no recollection of ever speaking to him about it, nor he to me; certainly I never asked him for any contribution.

Q. And you never received any other contribution from him for election purposes?—No.

By Mr. Guthrie:—

Q. Mr. Cumberland says that he was generally regarded in such matters as representing the Railway, and that he had no doubt—he believed, in fact—that you so regarded him when he gave that money?—He may have so considered it, but I did not.

Q. Were you a director of the road at that time?—No.

Q. You became one subsequently?—I became one in 1875.

Q. Did his letter sending the cheque appropriate the money for any particular election?—I think not.

Q. It was a contribution generally?—Just a contribution to the election fund.

(Signed) C. J. CAMPBELL

WEDNESDAY, 11th April, 1877.

Committee met.—Mr. ARCHIBALD in the Chair.

Mr. WILLIAM THOMSON, sworn and examined.

By Mr. Guthrie:—

Q. You are President of the Northern Railway?—Yes.

Q. And have been since 1874?—Since 1874.

Q. It is stated that you and George Laidlaw, in 1873, were the means of getting \$1,000 from the Northern Railway that went to Mr. Chisholm to help to oppose the Peel by-law for the Hamilton and North-Western Railway?—Yes.

Q. Did you get that money yourself?—No.

Q. Who got it?—It was sent to Brampton; I think Mr. Chisholm discounted the note in the Merchants' Bank.

Q. Was there money contributed in Toronto for the same purpose or was this a solitary contribution?—That was the only one I know of.

Q. Since you have become President I suppose you have enquired into the affairs of the Company?—Yes.

Q. From information received or gathered by yourself can you state whether there are any items of expenditure analogous to those the Committee have been enquiring into that we have not yet heard of?—No.

Q. I do not mean from your own knowledge, but I mean from information of the late Secretary or any of the Company's officers?—Nothing further than what has been made public.

Q. Than what we know?—No.

Q. I would like to ask you another question: You were a candidate in Toronto for the Local House?—Yes.

Q. Since you have been President of this Company?—Yes.

Q. And while you were President?—Yes.

Q. Who paid your election expenses?—Myself. I beg to say to the Committee with reference to the \$1,000, that, during that year and the previous year I was one of those who went out frequently to the county in the interests of the Northern Railway towards the construction, and hoping to construct the late South Simcoe Junction Railway, and from that fact Mr. Laidlaw appealed to me to accompany him to see Mr. Cumberland in reference to opposing the Hamilton and North-Western in Peel, and who was, at that time, pursuing his Credit Valley scheme. My impression was that it was a proper thing for the Northern to do if they could see their way clear to do it. This was the wish of the people of Toronto and the desire of the Northern in the direction of their interests that the Hamilton and North-Western should be blocked, and the money was given for that purpose. It was forwarded to Mr. Chisholm, and he was the distributor of the whole sum that was given.

(Signed)

WILLIAM THOMSON.

WEDNESDAY, 11th April, 1877.

Committee met.—Mr. ARCHIBALD in the Chair.

Mr. J. D. EDGAR, sworn, and examined:

By Mr. Guthrie:—

(Exhibit produced.)

Q. Have you seen this account?—Yes; I have seen it.

Q. Is it correct?—As far as I can make out, it is, I believe, correct, shewing all the personal services and disbursements for which I have been paid.

Q. With regard to the last item of \$3,050 voted by the Directors of the Northern Extension, 1st June, 1875, to you, can you explain it to the Committee; what it was for, and whether it, or any of it, was included in any previous payment to you?—None of it was included in any previous payment.

Q. Well; explain to the Committee what it was for?—I had been, some couple of years before that, in England on behalf of the Northern Extension for more than three months, and I had not been paid for that; and, before the Company closed, I thought I should be paid, and the Directors thought so too; that is one matter included in this \$3,050. Well, in addition to that, I had been acting under the instructions of the Extension Company Directors in assisting amalgamation, and forwarding the Bill here. Of course I was down here for the Northern, but I had been acting for the Extension at the same time and with the same object; they took that into consideration too. The last account for my firm's professional services, which I had rendered, was up to 25th September, 1874, and from 24th September, 1874, to 3rd June, 1875, my firm and myself had been engaged in doing ordinary professional services.

Q. And you had not got your ordinary professional fees?—I had not; so that they were taken into consideration. There was thus about eight months' services, in addition, taken into consideration. Besides that, I considered those were quite sufficient services to have made up \$3,050, but, in addition to that I had been assisting in a great many ways, with advice and consultations with the Directors, which was not solicitor's work but counsel's work. These other Directors were getting fees themselves for the services, and I dare say, took into consideration the five years I had been helping them in the affairs of the road in addition to my solicitor's service.

Q. This amount was fixed by whom?—By the Directors.

Q. Mr. Smith and the other directors?—Yes; the Directors, and voted by them. I do not know whether Mr. Cumberland was properly reported, but in the *Mail's* report of his evidence the other day, he is reported to have said that I had been paid for my trip to England. I had not been paid; I was only paid in that way.

Q. The impression may have arisen from your applying for payment?—Yes.

Q. At all events you were not paid?—No; and I thought I should get it before the thing closed up at any rate.

Q. Would you explain to the Committee about some scrip you got—\$1,000 stock in the Couchiching Hotel Company, for selling the land over and above the price you paid for it?—That was part of the purchase money agreed upon for the land.

Q. Did the Directors of the Hotel Company know what price you had bought the land at originally; did they know you were making this stock profit?—I believe they did; at any rate, my arrangement was made with the promoters before the Company was incorporated. Mr. Cumberland and I agreed to sell. Owning that land jointly, and having expended, in the opening of roads and clearings on it altogether with interest, \$8,000 (there were some eighty odd acres). We offered to sell to the Company when it was being organized, as a condition of organization, to let them have it for \$8,000 in cash, which, by the way, they gave us a mortgage for; and a thousand dollars each of paid up stock—Mr. Cumberland and myself.

Q. You had spent money on it after buying it?—After buying it we had one whole summer, and had a gang of thirty or forty men opening roads, as it was all bush. Mr. Cumberland subsequently gave up his \$1,000 of stock. Besides that I subscribed and paid \$1,000. I did not give up my stock.

Q. You were in Parliament for a short time—during the Parliament of 1872?—Yes.

Q. During that time did you not act as counsel for either of those Roads in connection with Parliamentary business at Ottawa?—Not at all.

Q. While you sat in Parliament you did not act as Parliamentary counsel for those railways?—I acted, probably, in the Local House, for the Northern Extension.

Q. But I mean in the Ottawa House?—Certainly not; not for this railway nor anything else, and I did not allow my partners either to do so.

Q. Did you get any contribution for your election from this railway or Mr. Cumberland?—No; I did not. The only interference of Mr. Cumberland in my election was that he bet against me.

By Mr. Palmer:—

Q. You say you were in Parliament in 1872. Was it at that time that the Government and the Northern Railway had two schemes before Parliament, one was to compromise the Government lien and the other was a Bill which was before the House?—No; that was in 1874-75.

Q. You were speaking of amalgamation?—No; there was a Government scheme.

Q. I am speaking of Sir John Macdonald's Government?—I was there, and there was a Bill before the House.

Q. The Government brought in a resolution to compromise the Government lien?—Yes; and it was withdrawn.

Q. At that time were not yourself, Mr. Cockburn, Mr. Morrison, Mr. Robinson, members of the House, interested in those two schemes?—I did not interest myself in any way in the Northern Railway at that time.

Q. You were not interested in the scheme?—I was anxious to get it carried.

Q. And of course you used your influence to get it carried?—Yes; I did.

Q. And, I suppose these other gentlemen, as far as you observed, did the same thing?—I fancy so. I know Mr. Cockburn did; and I think Mr. Robinson and Mr. Morrison did too.

Q. I suppose you know, during that time, there were considerable hospitalities going on?—Well, I was only lucky enough once to experience it myself.

Q. Did you see other members and gentlemen experiencing it?—I was at one dinner, which I understood was given by the Northern Railway to a number of members and other gentlemen. Mr. Robinson was in the chair. That is the only one I have any recollection of.

Q. You knew, of course, that the extension was being promoted and carried on really by the Northern?—I cannot say that; it was a distinct organization, and it was leased to the Northern.

Q. You were the paid solicitor of this Company?—Of the Extension Company for five years.

Q. From the time of its organization down to its extinction?—Yes.

Q. At what salary?—For nearly two years there was a fixed salary of \$1,800. The year before that, and after that, bills were rendered according to services by the firm.

Q. Do I understand that you occupied professional relations between the two Companies, and you did not know that the extension was promoted and paid for by the Northern?—As a fact I knew it was not paid for by the Northern Road. I knew it was paid for by the issue of bonds and by bonuses.

Q. But previous to the issue of bonds was not there a large expenditure?—There have been advances made, but they were repaid though.

Q. Did not you know that this was promoted by the Northern Road, and for the benefit of the Northern?—At the original outset, before the Company was organized and before they sold any bonds, no doubt the Northern did promote it, but not at the time you speak of.

Q. Were they not interested in the Company throughout?—Well, the Extension had settled upon the terms of their lease with the Northern then, and were no absolute relations. One was a line leased by the other, with its bonds guaranteed by the Northern. Mr. Cumberland was connected with both, and I was anxious to help the Northern in any way I could.

Q. Were you in receipt of this salary as solicitor of the Road when you were in Parliament?—Yes; my firm were at any rate.

Q. Well, you were solicitor, were you not?—The accounts were sometimes made out in my name and sometimes in the name of the firm.

Q. You were a stockholder, were you not?—Yes.

Q. Were you not also, or your firm, doing the legal business of the Road?—I see in that year, 1872, that you are charged May 31st, quarter's salary and expenses—quarter's salary, \$400; expenses, \$97.30. Where were these expenses incurred?—They were incurred in Toronto. There is a voucher here in which you will find them. They were ordinary expenses in managing the business.

Q. I see by these accounts, that your salary and professional services against the Northern Extension, from the 1st October, 1869, to 3rd June, 1875, were \$10,507.76. Is that correct?—I have not added it up.

Q. That statement (referring to the statement produced of Mr. Edgar's account,) is correct?—That is correct if it is added up rightly.

Q. Then, in addition, you received for expenses and disbursements, during the same time, \$1,453.50?—I suppose so, if it is correctly added up.

Q. Then it appears, in addition to that you received, from 1868, to June, 1875, \$2,975.50 for services, from the Northern Railway?—That is not quite right. That is incorrect, because that covered all my disbursements coming down to Ottawa many times. I have no particulars of that, because I lumped the whole thing, and it is all ut down as a fee, and it is incorrect. I do not know what proportion is disbursements ardly, because it was six months' disbursements.

Q. At all events, except so far as your disbursements were concerned, that amount may be correct?—Yes, of course, there was a period from 1869 to 1875, in which I did not receive anything from the Northern.

Q. Then from 1868, to June 1875, you received \$2,975.50?—Yes.

Q. And a further sum of \$428, for expenses and disbursements?—Yes.

Q. In addition to that, during that period you received this \$1,000 stock in the Hotel Company?—It was not included in this.

Q. You received this \$1,000 in stock on the purchase of the land?—Yes; that is part of the purchase-money.

Q. Besides this, when the amalgamation came—will you be kind enough to tell us how much profit you received on your stock?—I cannot tell you exactly the figures; but it was whatever the Act allows—ten per cent. interest, and twelve and a half premium. The amount I received was the same as others.

Q. Then did you share in the division; and if so, to what extent of the insurance money that was collected when the hotel was burned down?—I received the same proportion of it as the other stockholders.

Q. Can you tell us what it was?—It was 63½ cents on the dollar; I received the same as Mr. Smith. He calculated that by taking off the interest on the money it would be 46, so that in my case it would be the same.

Q. This statement makes out that the amount you paid to the Northern Extension as a stockholder was \$1,860?—About that I should think.

Q. And the amount you received was \$3,022.30?—No, it was not that at the time, it was only \$2,800, and something we all received in scrip; they did not pay that scrip when it was due, and they gave me a note for it which amounts to \$3,000 and something.

Q. Are these all the sums you received out of these three Companies; the Northern, the Northern Extension and the Hotel Company?—That is all I received; the right of way was sometimes bought through me or through my firm.

Q. I don't understand you?—As solicitors we had to purchase the right of way for the railway Company.

By Mr. Guthrie:—

Q. I suppose the titles and the money to pay for them would pass through your hands?—Yes.

By Mr. Palmer:—

Q. Of course these books would really do you an injustice, because they were charging you with things that ought not to be charged?—They did undoubtedly.

Q. With reference to this \$3,050 that was given to you on the 3rd June, 1875; I see that on the same day you were allowed \$2,500 as your fee, as Parliamentary Counsel for the Northern; the \$3,050 for services included three months in England. Were these sums paid at the same time?—No; I don't see how the dates come to be the same, for they were entirely different; it appears to be the same date, but as a matter of fact, the accounts were passed by different Boards of different Companies at different times.

Q. Was not that after the railways were consolidated?—No; the sum of \$3,050 was voted by the directors of the Northern Extension before amalgamation.

Q. Did you not understand it was amalgamated on the 3rd June?—Yes, but this was before amalgamation.

Q. Was it entered in the books?—Yes, unquestionably.

Q. Was it before or after the Act was passed?—It was after that; the Act was passed in the spring.

Q. In fact, was not this a part of the winding up of the two Companies?—Well, I wanted to get my matters wound up.

Q. You see they were Companies, but were they not the same people exactly settling the same things?—Settling what?

Q. The affairs of the Extension Company?—I do not think there was any member of the Northern Extension Board on the Northern at all until after amalgamation.

Q. Had not the arrangements been made for amalgamation at this time?—The general scheme had been before the Legislature in 1874-5.

Q. Was not it understood who was to go into the directorate?—I think the Act provides that the whole of the directors of the Extension were, after amalgamation, to become directors of the Northern for a certain time.

Q. What I want to know is whether this was not done in unison?—No; the account of \$3,050 was settling up for valid claims I had against the Company.

Q. Did you ever render any such account?—In 1873 I wrote a letter urging them to pay me for going to England.

Q. Did you ever render a bill showing an account of \$3,050?—I did not render any voucher; it was just figured.

Q. How much of that was for going to England?—I should think for a man to be away 100 days would be worth \$20 a day at the very least; I would not do it for less now; that would be \$2,000. Although, at the time, if they had paid me I would have taken \$10 a day.

Q. Were not all your expenses in England paid?—My expenses were paid.

Q. Then, if I understand it right, it was considered that \$2,000 of this should be for your trip to England?—I think that was considered in connection with it; it was not fixed at that.

Q. Did you not render an account to the railway, charging for your services in England at the rate of \$10 per day?—I did in 1873; at the same time I said it was worth \$20; I never knew it was voted to me till yesterday, and I believe it is to my credit now.

Q. I see in the return that is put in, vote of directors, "including three months in England;" that was not in the vote that passed, was it?—I do not know that it was.

Q. Do you know how it got in here; was it put in here at your suggestion?—It was.

Q. You suggested to the gentleman who made this statement up for the Committee that he should put it in?—I told him so as a fact.

Q. The books show "Parliamentary Counsel," but parliamentary counsel and your trip to England would be different things?—I was not responsible for the wording of the resolution.

Q. Had you much discussion to get these gentlemen to raise it from \$10 a day to \$2,000 for the trip?—It was talked over in a general way; I do not know that \$2,000 was specifically detailed as part of that; but that item was talked of in making all this up.

Q. I see from the detailed account of your services that as far as the vouchers go, the accounts are particularized. Why were not the services for this letter detailed in the same way?—As I explained before, that covered also the whole of the professional services, from 24th September, 1874 to June, 1875, and I can account for that in this way: It was expected I think that amalgamation would take effect as from the date September, and accounts were made up to that time with a view to amalgamation. Up to that time a number of accounts were prepared by my partners and sent in; after that, pending their parliamentary work, there was no bill, but work had been going on just the same.

Q. Would there be any trouble in getting a detailed account down to 3rd June, 1875?—I think I could get it to March, 1875.

Q. Why cannot you get it from March, if there was any?—Because at that time I made a change in the arrangements of my firm, and the firm had no interest in my parliamentary and railway work.

Q. You had a firm of your own?—No, but these charges had to be lumped, and the thing was to be wound up.

Q. At that time you had credit in a lump?—I was credited in a lump.

Q. Was the lump to be the same, no matter what your services were?—No.

Q. I am not speaking of the parliamentary fee; what I want to ascertain is what your professional services were, because Mr. Cumberland says you were paid

for these things before, and I want to see whether that is correct?—He is not correct, because I was not.

Q. Do the books show?—I fancy they would up to March.

Q. Why would not they after March?—Because the legislation had pretty well progressed in Ottawa. We know pretty well the Bill for amalgamation would carry, and I intended to close it up at amalgamation.

Q. But did not you keep in your office an account of the services?—I had the thing sent in, in a lump fee.

Q. But still you would know what the services were?—I ought really, but in parliamentary matters I did not make an entry.

Q. Can you show to the Committee the professional services that would not come under the head of counsel and actual solicitor's work you did under that Bill?—Up to March I can; from 24th September to March 1874.

Q. With reference to the hotel, can you tell us what share you had in it?—I had \$2,000 of stock.

Q. Tell us the amount of insurance money you received?—I think there is a statement which shows that exactly; I received the same as the others.

Q. Can you give us any reason why it was that the debts to the Northern and the Extension were not paid, instead of dividing the money amongst the stockholders of the hotel?—I was not aware of the amounts the Northern Extension had advanced in erecting the hotel. I suppose it was advanced as a subsidy to assist the construction of the hotel for the benefit of the railway.

Q. You were solicitor to the Northern Extension?—Yes.

Q. You drew the mortgage from the Hotel Company to the Extension then?—I cannot remember whether there was one.

Q. Mr. Cumberland says there was?—I cannot remember it. There was a mortgage to the Northern for \$10,000.

Q. But there was a mortgage to the Extension?—I had been in England; I recollect coming back and hearing that a mortgage had been given on the hotel, but I thought it was to the Northern; probably I was wrong.

Q. But he says there was a mortgage originally given to the Extension?—I do not know anything about the state of the account between the two Companies.

Q. Who was solicitor of the Hotel Company?—There was no solicitor; anything that had to be done I did, and there was nothing done except borrowing some money from the Building Society. Only the main building of the hotel was burned and the furniture. A large number of outbuildings, wharves and bowling-alleys, the gas-house and the boulevards, in which much money was put, were not burnt or destroyed. They are there yet, and the Northern had a mortgage on them. Many of the shareholders subscribed to the undertaking under a guarantee from the Northern—which was supposed to be a good one—for interest on their money, and their subscriptions, together with the money they borrowed from the Building Society, erected the building, bought the furniture, and paid off the floating liabilities, some \$12,000 to \$16,000. I certainly thought, the property remaining there for the benefit of the railway, it was quite fair that the shareholders should get some of their money back.

Q. Is it not a fact that the hotel was subject to the mortgage of \$10,000 from the Northern Railway?—That is how it stands; but if there is a legal claim against the Hotel Company, the railway could enforce it and get the whole property.

Q. Independent of that, did not you know that the Hotel Company was borrowing from the Extension \$46,000?—I did not know it till afterwards.

Q. Then, if I understand it right, you were solicitor to the Northern Extension and got \$1,600 a year; you were a stockholder in the Hotel Company, and when this took place you did not know of it?—I knew that the railway was doing something; gravel trains were running up there, and men were engaged to clear the place.

Q. Then you were ignorant of the whole thing except of some gravel trains running?—Mr. Cumberland was anxious to have the hotel furnished, for the benefit of the road.

Q. That is not the point at all; I am speaking of the time you divided this insurance money, whether you were totally ignorant of this debt?—No, I was not; I knew there was a debt, advanced by the Old Extensions Company.

Q. Then notwithstanding that this debt existed, and you knew that this debt was handed over to the Northern Railway, and the Northern Railway owed the Dominion more than it could pay, you divided the Insurance money instead of giving it to the Northern Road?—I don't agree that this amount awarded by the Extension Company to the Hotel Company is an asset of the Northern.

Q. Why?—Because I think it was an advance as a subsidy to aid the construction of the hotel.

Q. If so, why was there a mortgage?—The mortgage was given to the Northern.

Q. To the Extension?—If so I do not know that it was.

Q. Did not really the same parties engineer the hotel that were engineering the Extension Company?—Many of the Board were the same.

Q. But the real controlling spirits were the same?—I don't know that.

Q. At all events what I want you to tell is this: It appears that you were solicitor in the Extension and a stockholder in both the Companies; am I to understand that you were ignorant this was or was not a debt of the Hotel to the Extensions Company?—Now?

Q. No, at the time the building was burned down?—When the building was burned down I knew there was an advance, but I did not know the particulars on the amount and knowing that advance I agreed to take that amount on my stock.

Q. Why did not you make an enquiry as to what the amount was?—Because the property is left there. If the Extensions Company volunteered an expenditure of their money, I think when the shareholders get a hundred cents on the dollar the Northern can get the property. I think there will be no objection by the shareholders to that.

Q. And before you pay off the indebtedness of the Hotel Company to the Extension you think you ought to have your hundred cents on the dollar for the stock; is that correct?—Under the circumstances, I think the stockholders in the Couchiching should; the Railway Company should not let them have it.

Q. And that was the reason you accepted this money?—Certainly.

Q. You said you never had any of your election expenses paid; have you not got pretty considerable sums otherwise?—I worked very hard; the larger part of my professional time was given to this thing, and I would not neglect my profession for the same now. I was weeks and weeks away up there hunting for bonuses.

Q. Did you charge nothing for that; your expenses were paid?—My expenses were paid, yes.

Q. Is that one of the reasons you had the money from the Hotel Company?—Nothing at all to do with it.

By Mr. Guthrie:—

Q. Did I understand you to say that in voting you the \$3,050, the Directors allowed any particular part of that sum for your services in England?—No; I do not think they did.

Q. You said just now that you considered the shareholders of the Hotel Company had some claim by reason of the guarantee which the Northern had given, but had not fulfilled. What was that?—The shareholders subscribed on the understanding with Mr. Cumberland that the Northern would guarantee them interest, I think for seven years, on their paid-up stock, and that guarantee was not carried out.

Q. Did they feel aggrieved on that account?—They did very much and they are very much aggrieved still.

By Mr. Bowell:—

Q. You and Mr. Cumberland originally purchased this property for the hotel, did you not?—I purchased it myself originally; Mr. Cumberland was out of the country, and I knew that railroads were going on then.

Q. Did you purchase for yourself and Mr. Cumberland?—I afterward saw him and asked him if he would pay half.

Q. How much did you give for it — We gave \$1,500.

Q. Then you formed a company?—No, not for some time afterwards.

Q. The Company was subsequently formed?—Subsequently formed.

Q. To whom you sold this property?—Yes.

Q. For how much?—\$6,000; \$2,000 in stock and \$4,000. It had altogether cost us \$4,000 with the interest and what we paid on improvements. We had a gang of men there a whole summer.

Q. You received \$1,000 advance, and Mr. Cumberland refused to take his?—No; he got it, but afterwards the shareholders grumbled about the guarantee not being fulfilled, and he said, being a stockholder, that he would be on the same footing as the others, and he released the other \$1,000, and only held the \$1,000 he had paid.

Q. Then you got an advance from the Northern Extension to the amount of \$46,000?—I did not know that; I knew there were some advances being made, but I did not know how much. I really did not know the particulars of this advance at the time.

Q. What do you consider the present value of the property?—That is very hard to tell. It is a beautiful place and very valuable to the Northern Railway.

Q. What do you consider the property worth?—I cannot form an opinion; it depends so much on whether there is to be an hotel there or not.

Q. What would it be worth if you intended to rebuild the main building, and establish it as before for the benefit of travellers and the Railway Company?—It is very good land. But, it is hard to tell, because it depends on the rental you can get for the hotel, and that is a very uncertain thing in the summer, as we have experienced.

Q. Then you really do not know what it is worth; you cannot give an approximate value?—For the Northern Railway to use that as they are using it this summer as a pleasure ground for excursion parties, going by rail, and by their steamer *Emily May*, I think it is almost invaluable. It is worth an enormous amount.

Q. Then you refuse to say?—I do not refuse to say; I would be glad to tell you if I could; but I cannot.

Q. Has the original company still an existence as a company?—Yes.

Q. Then if you pay off the \$10,000 mortgage to the Northern Railway, to whom will the property belong?—It will belong to the shareholders of the Couchiching.

Q. Does it belong to the Hotel Company?—Undoubtedly, but if the Extension and the Northern have a claim against it and recover it they can get it back.

Q. If the hotel paid up the \$10,000 the Northern would still have this land, because of the \$46,000?—If \$10,000 were paid over, and the Northern has a legal claim against the hotel company by reason of this advance, they could obtain the property by an execution.

Q. Do I understand that instead of the claim being \$10,000, it is, in fact, \$56,000?—That is a question of legal opinion.

Q. Do you consider yourselves as liable for that \$46,000?—That is a matter of opinion; I have not considered the question.

Q. If the Northern hold a mortgage, of course you must be liable?—I am not sure whether the Hotel Company have power to give a mortgage. That is another question I would not like to give an opinion on.

By Mr. Bertram:—

Q. You spoke of a guarantee that the Northern Railway Company gave the stockholders. Is there a written guarantee?—I was told there was. Mr. Robinson, who was a stockholder of the Hotel Company, the other day stated that when he was President of the Northern, they signed a document under seal, but I was not aware of it.

Q. Mr. Robinson said there was a written guarantee that six per cent., for seven years, should be paid?—That was it. Mr. Robinson said he affixed the seal of the Northern to it.

Q. Are you aware whether there was any minute of the Board, or any consultation by the Board of the Extension Company, as to this advance they were to make to the Hotel Company?—I am not aware that there was.

Q. You do not know of any?—No.

Q. You spoke of a considerable number of times you were out on the business of the Extension Company, holding meetings in the different localities where they were asking for bonuses. Did you charge a professional fee for these trips?—I did sometimes. I was a stockholder, and I worked as the directors did, and they got their fees.

Q. You went out as a stockholder?—Yes.

Q. Did you get any of the \$13,250 that was distributed?—No, I did not. I got none of those fees voted to the President and directors.

Q. Of the sum of \$30,000, or whatever it may be, an amount of which was paid to Mr. Cumberland, as consulting manager, and to yourself, as parliamentary counsel; were these amounts paid in cash?—As far as I was concerned, I got notes for my professional fees.

Q. Notes on the Northern?—No, I think on the Extension. They were renewed probably by the Northern.

Q. It was immediately before amalgamation?—Yes.

By Mr. Palmer:—

Q. It was after the Act was passed?—After the Act of Parliament was passed.

By Mr. Guthrie:—

Q. Who paid the money?—The money was paid by the Northern as a liability of the Extension.

By Mr. Palmer:—

Q. There was a settled amount to be paid by the Northern to the Northern Extension for its property, and it would appear from this that after paying the regular stockholders there was a further sum left to meet this \$30,000; that was divided in that way?—I fancy there was more than that; there was enough to cover those votes.

Q. This amount of money was actually left as sums of the Northern Extension Company?—I fancy there was a balance, but I am not sure, I think there was a surplus.

Q. As I understand it an amount of money was left in the coffers of the Extension Company, and out of that these amounts for the professional services and the consulting manager were paid, and the balance was divided amongst the Directors?—No; it was voted to the directors by the shareholders at the meeting; it was published the next day; I saw it myself in the newspapers.

Q. Where did this \$30,000 that was voted to Mr. Cumberland and yourself, Frank Smith and the other directors, come from?—I fancy it was a liability created by those votes of the Extension Company, before amalgamation.

Q. It was created, in fact, on the 31st May, 1875, by vote of the Board; by vote of the shareholders; into a liability of the Extension Railway Company?—Yes.

Q. And then it became a liability to be paid by the Northern?—Yes; that was what it was; the amount included all the liabilities; that is to say \$19,900, or something under the \$20,000 per mile.

By Mr. Guthrie:—

Q. There were other liabilities?—Bonds.

By Mr. Palmer:—

Q. Is not this a fact: The Act of Amalgamation authorized you to sell out to the Northern, by which all the liabilities of the Extension were to be paid, but you should have all your money back with ten per cent., interest and the premium?—Yes.

Q. The Northern was at liberty to pay whatever liabilities the Extension was under?—Not to exceed \$20,000.

Q. Yes, up to a certain amount. Then it was necessary to settle or create liabilities previous to amalgamation, in order that it might be paid?—Certainly

By Mr. Bertram :—

Q. It seems that you had a right to sell for a certain figure, liabilities, and everything else to the Northern; that the amount you could have made them pay was not arrived at, and, therefore, not having arrived at the amount you could claim, you created this liability?—The claim was acknowledged; there was a large balance left, of several thousands.

Q. Did you consider the Northern Railway Company got a good bargain by buying out the Company?—Certainly; I did consider it a very good bargain. Mr. Shanly and Mr. Keefer valued the Northern Extension at, I think, over \$27,000 a mile.

Q. What did it sell for?—Under \$20,000.

Q. I suppose the only reason you had for parting with your property at really a lower figure than it was worth was the difficulty you had as a Company in running the railroad?—Of running the railroad and in paying the debts. It cost more than we thought it would, and we had debts, and we found it difficult to finance, and it was only for that reason that we sold to the Northern.

Q. I suppose that the Northern Extension Railroad itself was a much more valuable property to the Northern Railway proper than it would be if held by another company, and on account of them having the rolling stock, it would cost them much less to work it than you?—Yes; but they leased it, and we received a certain percentage of the profits, which were to be applied to pay off the bonds, and in a few years there would have been a surplus even under that lease. The Extension was of great advantage to the Northern for the traffic obtained in it, and carried over the Northern to Toronto.

Q. I suppose it would be more advantageous to the Northern to own the property, than to have it leased in that way?—Yes, I think so. I believe that unless amalgamation had taken place the Northern would not have been able to pay off the Government lien. I believe it strengthened their position so much.

Q. You have been all through the northern country?—Yes.

Q. What is your opinion of the capabilities of the country to the north for producing railway traffic?—I think now that this Muskoka Branch strikes Gravenhurst, the foot of all these large waters in the district of Muskoka, it will produce a very large traffic, the steamers running over three or four lakes.

Q. I suppose you are aware that probably ten years ago there was a large district tributary to the Northern that sent saw logs and square timber down to Toronto?—Yes.

Q. The only means the Northern had of obtaining a share of that traffic was by opening up this Extension road into the districts?—Yes. Not only had they to go up into that district to meet the trade, but they were threatened to have it taken away altogether from them by the Midland, which was to run up to the Georgian Bay. Therefore it seemed, no doubt, the only protection to the interests of Toronto, and these Toronto merchants went into it to keep the trade to the north of them.

Q. That part of the country where the Black River strikes Lake St. John is also tributary to it?—Yes. Longford Mills.

Q. Can you speak as to the character of the country lying north of Gravenhurst?—I have been away up in canoes to the Magnetawan.

Q. So that in your estimation there is not a line of road possessing better chances of getting plenty to do than this same Extension?—I do not know of another

By Mr. Bowell :—

Q. How near does it come to the Midland?—The Midland crosses it at right angles at the Couchiching Hotel. There is a station there of both the Midland and the Northern.

By Mr. Bertram :—

Q. So that you expect to strike a large share of the lumber trade, which, in the place of going to the Georgian Bay, will come to your road?—Instead of going down the Muskoka, it will come down the Muskoka Lake to Gravenhurst.

By Mr. Palmer.—

Q. I see you are down for \$9,300 of the Northern Extension stock. Did you hold that altogether on your own account?—I do not know how that was at all. I heard Mr. Gordon Brown saying, yesterday, that he was interested, and he was interested in the way he spoke of.

Q. Do I understand you to say that this represents stock held on account of Mr. Brown?—I don't exactly understand it just now. I do not know how that was. Upon the syndicate it did not matter how we stood in the books. If somebody wanted to sell his stock, I would go and get money from the syndicate and buy it, and take it in my name; if another did, they would take it in their names, and so on.

By Mr. Guthrie.—

Q. I see Frank Smith held double?—Yes; that was Captain Hincks' share.

By Mr. Bowell.—

Q. Was Gordon Brown's share held by yourself?—It could not be, because he was not credited with the stock because he had not paid it in.

Q. Were you and Gordon Brown partners in this operation?—I think not; that figure represents my share.

By Mr. Palmer.—

Q. You say that Gordon Brown was interested in the stock; can you account for his name not being on the stock list?—In the first place, he was not one of the original stockholders. That is one reason why it does not appear there. In the next place, the syndicate did not make any transfers to one another; they kept it all in common, some holding a lot, and others very little.

Q. Can you account for why Gordon Brown's name never appeared as holding any?—Because he never bought in any.

Q. The stock was bought on account of the syndicate?—So it was; but it was taken hap-hazard by any of us, and when we settled up we equalized it.

By Mr. Bowell.—

Q. Did you pay your proportion of this \$9,000?—Yes.

Q. In cash?—Yes.

Q. I see Mr. Cockburn down for \$1,000 stock on the stock book?—And you will see it is for J. D. E.

Q. Mr. Cockburn was not aware of that, was he?—I fancy he knew of it. He told me he would take it, and I put his name down.

Q. How was that disposed of afterwards?—It was wiped out; nothing was paid on it.

By Mr. Guthrie.—

Q. I see there are a number who were released, Mr. Cockburn: Mr. Robinson and others?—Yes; they did not pay up.

(Signed) J. D. EDGAR.

WEDNESDAY, 11th, April 1877.

Committee met.—MR. ARCHIBALD in the Chair.

Mr. E. MIALL, sworn, and examined:

By Mr. Bowell.—

Q. Were you sent by the Government to assist the Railway Commission in the investigation of the books and accounts of the Northern Railway?—That I cannot say. I do not know who I was sent by. I know I was applied to by the Chairman of the Commission.

Q. Are you in the employ of the Government?—Yes.

By Mr. Palmer.—

Q. In what capacity?—I am Assistant Commissioner of Inland Revenue.

Q. And was at that time?—I was then.

By Mr. Bowell.—

Q. By whom were you applied to?—By Mr. Larratt Smith, Chairman of the Northern Railway Commission.

Q. By what authority did you go?—By the authority of either Mr. Cartwright or Mr. Scott, I cannot say which; that is to say I was in communication with them before I went; but I understood I was appointed by the Commissioners as accountant to the Commission.

Q. Being in the employ of the Government, would you have considered yourself at liberty to accept the employment of that Commission, or any other, without the consent of the head of the Department?—No, certainly I should not.

Q. Did you perform any services for that Commission?—I was there all the time, doing what I could to assist the Commissioners; but I do not think my services were very valuable.

Q. Did you examine the books?—I could not get access to the books.

Q. Did you get access to any of the books?—I got access simply to the annual financial statements, and I got access to the books on certain special points which came before the Commission, and which the counsel of the Northern Railway allowed me to have access to—points which have all been brought up in the Commissioners' report.

Q. Did you make any memoranda, as to the conclusion you had arrived at, after the investigation of these books from what you saw?—Do you mean, in relation to the examination of the matters that came under the notice of the Commissioners?

Q. Did you make any memoranda of the conclusion at which you arrived after the examination of the documents which were placed in your possession, be they what they were?—Am I obliged to answer that question?

Mr. Guthrie:—He was not a Commissioner; his conclusion would not have been of any value?—I may explain that of course I don't know what the policy of the Government, in relation to this matter, is.

The Chairman:—That is quite beside the question; you were asked whether you had made any memoranda, and you asked whether you were obliged to answer. I have no hesitation in saying that, if you made any memoranda relating to the accounts of the Northern Railway, based upon actual knowledge, you are bound to answer?—Then I did.

Q. Did you embody that in a report?—I embodied that in a memorandum addressed to the Chairman of the Commission; a confidential memorandum.

Q. What did you do with the memorandum?—I handed it to the Chairman of the Commission.

Q. Have you a copy of it?—I think I have the original draft somewhere.

Q. Can you produce it?—I can produce it, I have no doubt if it is necessary; I have not it with me.

Q. What became of the copy?—I don't know.

Q. Did you give a report or a memorandum to any one else but the Commission?—No.

Q. Then you made a report to the Chairman of the Commission. Have you any knowledge of what the Chairman of the Commission did with that report?—I think it was mailed to Ottawa.

Q. To whom?—That I cannot say.

By the Chairman:—

Q. Do you know it to be a fact?—I saw the Chairman enclose it in a letter, that is all I know about it.

By Mr. Bowell.

Q. You really don't know whether it was enclosed to Ottawa or not. Can you say you know as a fact that it was?—I cannot say that I do know as a fact; because I did not see any address on the envelope.

Q. Then, have you any other knowledge of what became of it?—I presume that was the memorandum Mr. Mackenzie referred to as having been sent to him.

Q. What do you mean by a memorandum?—I mean a memorandum which I drew up for the information of the Commission.

Q. Was it not what you would call a report, a confidential report of your opinions on the state of the books?—Of the general financial transactions from 1859 to 1861.

Q. That was sent to the Government was it?—That I cannot say.

Q. You will produce your original then?—Yes, if I am ordered to do so.

A discussion arose as to whether the memorandum was admissible as evidence or not.

By Mr. Bertram :

Q. You said you had not the books of the Northern Railway submitted to you?—I had not, except on special items.

Q. Were these financial statements you speak of the half yearly reports that were published?—The yearly.

Q. Of the financial condition of the Railway?—Yes.

Q. Did the Commissioners order you, as their accountant, to write your opinion of this financial statement?—They desired me to.

Q. With what view?—I cannot say.

Q. What did they tell you to do?—They asked me to analyze the statements published by the Company from the date of re-organization in 1859 to the then present time, and to show more especially to what extent they acknowledged, in these statements, to have paid out of revenue items which were properly chargeable to capital.

Q. Here is a statement furnished the Committee of the gross working expenses and net revenue of the Company. Was it an analogous statement to that, or was it the amount expended in new works, &c.?—I may say the statement I sent down accompanying this memorandum was a statement tabulated so as to show, in considerable detail, the items of revenue and the items of expenditure. I showed it in three quinquennial periods, taking the average of five years from 1860 to 1865, 1865 to 1870, 1870 to 1875—three periods of five years each. I took it out separately every year and then took the average of each five years, and I sent that statement to the Commission.

By Mr. Palmer :—

Q. Separating the working expenses from expenditure on capital?—It was the details of the revenue and expenditure, designating what were the working expenses, cost of operating, maintenance, and so on.

Q. And the revenue?—And the revenue; and the dividends paid upon the different stocks, and also the amount acknowledged to have been paid each year out of revenue upon items which were, in my opinion, properly chargeable against capital.

Q. Then, after doing all this in this minute manner, you concluded by giving a report of what your information was on these points?—Yes; I wrote a memorandum stating what the argument to be drawn from it was.

Q. That is to say, they having referred to you to give your opinion on these points, you did so?—Yes.

By Mr. Bowell :—

Q. Did you not really make a report?—It was a letter addressed to the Chairman of the Commission.

Q. Was it a mere memorandum?—I do not know the difference between a memorandum and a report, except that it was not headed report. It was not headed memorandum that I know of. It was a letter addressed to the Chairman.

By Mr. Bertram :—

Q. Did the Commissioners order you to make this investigation?—I cannot say whether they ordered me, but it was understood that I was to make this, in the ordinary course of conversation, and one of them assisted me in getting out the figures off and on occasionally.

By Mr. Guthrie :—

Q. Did this letter refer to anything you had learned yourself from the books, or was it merely the result of your analysis of their annual reports?—It was the result of an analysis of the reports.

Q. What do you mean by saying that it was a confidential letter?—It was marked confidential.

By Mr. Bertram:—

Q. Are you a railroad man?—I am not, sir.

Q. You say you made an analysis of these reports; state what in your opinion were items probably chargeable to capital, and what were probably chargeable to revenue?—(No answer.)

Q. How could you, not being a railroad man, give an opinion?—I was educated as a professional accountant, and I had a great many audits of railways to make before I came to this country. It is not a question of opinion at all, it is a matter of accounts.

Q. Then I understand you to say that your opinion was based on what you had seen of railway audits in the old country as to what was properly chargeable to revenue and what was properly chargeable to capital?—I do not know that.

Q. What was it based on?—The greater portion of it was acknowledged in the annual reports.

Q. Did you give the Committee the idea that you differed from these reports as to what items was properly chargeable to revenue and what was properly chargeable to capital, and I ask you what knowledge you had to set aside the report?—You mean the printed reports.

Q. You say you took items from these reports that you thought were properly chargeable to revenue, and I ask you what special knowledge you had that would lead you to differ from the statement made by the Northern Railway Company themselves as to how these amounts were apportioned?—I do not know what statements were made by the railway.

Q. You had them before you?—I know they paid these items out of revenue, because they had no capital account to pay them out of.

Q. That is not the question. You see the statement was this: that there was an amount of expenditure which would be chargeable to capital account; there was another part of it that was properly chargeable to ordinary working expenses. You made the statement that you made different from the statement of the Railroad Company, and I want to know how you came to make this difference, and why in your opinion the Railway Company placed the items in that way?—I don't know that I made any such statement that I differed from the Railway Company. I said I made an analysis of the accounts, reproducing the reports for eighteen years on one sheet.

Q. Yes; but under different headings?—Under the headings which they themselves adopted.

Q. Then your report was simply the same as the railway report?—Yes, the appendices; but you have not got the Railway reports for eighteen years with the result carried out.

By Mr. Guthrie:—

Q. You made a compilation?—Yes.

Q. If the report showed the expenditure for revenue purposes, did you alter it and charge it to capital?—No.

Q. Then it is a mere compilation?—It is a mere compilation. I could not get any other date; I could not get any information beyond the information given in the reports.

Q. Then this letter mentioned the results according to your view and judgment, and according to your compilation?—Just so.

Q. When was it you wrote the letter?—I do not remember exactly what time it was; it was just about the time they were closing their report.

Q. Was it after the lien had been paid?—No.

Q. When was it?—It was during the sitting of the Commission.

Q. It would be during the days of their final report?—I do not know how many reports they made after the one they made while I was there.

Q. They made a first report?—Yes; I think there was a first report.

Q. Was this a mere letter or was it given under oath?—Certainly not.

By the Chairman :—

Q. I understand that this paper was a mere compilation of the reports for fifteen years back?—That was part of it.

Q. Was there anything else; did that contain the whole case, because we want to ascertain the nature of the contents of that report, so as to decide whether it is necessary to produce it?—I can say nothing except that I tabulated this statement; I took Mr. Cumberland's memorandum for 1874, and I endeavoured to point out, and I thought I did point out clearly enough, to my own satisfaction at least, that that memorandum was not a reliable document. The figures given were not reliable.

Q. From what source did you draw that conclusion?—From the statements.

*Mr. Palmer :—*I consider that we ought to have this memorandum first, because it was before the Commission, made at the instance of the Commission, and they ought to have acted upon it. Secondly, that this may lead us to subjects of enquiry that we may not have reached. Thirdly, it is impossible to tell exactly what that report is from mere oral evidence, and without seeing the report itself.

*Mr. Bowell :—*I think it should be produced, because this Committee have been appointed to enquire into and report upon allegations in the report, and evidence of the Commission on the Northern Railway Company, as to the application of moneys payable to the Government, and also to make searching enquiry into the accounts of the Northern Railway and the Northern Extensions Railway, so as to complete the enquiry begun and left unfinished by the Commission; that the Committee is entitled to have the report made by Mr. Miall and given to the Commission stating the results arrived at by him as to the financial state of the Company, laid before the Committee.

By Mr. Guthrie :—

Q. You wrote a letter to the Commissioners?—I did.

Q. Were you instructed by Mr. Smith to make any such investigation, or did you volunteer to do it?—I believe I was instructed.

Q. Surely you know whether you were instructed or not. Was it a mere piece of voluntary work on your part; if you were instructed to do it you would be called as a witness; but writing a letter which no one authorizes would indicate that it was a piece of gratuitous work on your part. Now, were you instructed by the Chairman of that Commission to make any such analysis, verbally or in writing?—I should not have made it if I had no instruction.

Q. I ask you if you were instructed?—I was instructed.

Q. Where; at a meeting of the Commission?—No.

Q. Where?—In the private office of the Chairman of the Commission, when another Commissioner was there.

Q. In his private office, and not at a meeting of the Commission?—Yes.

Q. Then you marked the letter confidential?—I did.

Q. Because the instructions were confidential and private?—It is rather difficult for me to decide what instructions were private and what otherwise.

Q. Why did you mark the letter confidential?—I did so under advice of Mr. Mowat.

By Mr. Bertram :—

Q. Was this report before the Commission?—What constitutes being before the Commission?

Q. When they are in session?—The Chairman read it aloud to the other Commissioner.

Q. Who were present?—I was present, in addition to Mr. Smith and Mr. Featherston.

Q. Was that a regular meeting of the Commission?—I cannot say whether it was or not.

Q. You were an officer of the Commission, surely you can say whether they were in session taking evidence or not?—I think they were preparing their report; they were not taking evidence; it was not a public sitting.

Q. Then they were not in session?—Not in that sense.

By Mr. Guthrie :—

Q. Have you ever mentioned the fact to any one that you had written the letter?—Not that I had written the letter. It was known in Toronto that I got up the statistical statement, because I had to borrow books from several individuals.

By Mr. Bowell :—

Q. Did you mention to any person that you made this report, besides the Commissioners?—I think I have mentioned to one party.

Q. Have you shown it to any one?—No, sir; I mentioned it to my chief; but of course it was in confidence.

By Mr. Palmer :—

Q. Who was the chief?—I mean the deputy; I mentioned it to him because he was interested in the affairs of the railway as a stockholder.

By Mr. Bowell :—

Q. Have you not shown it to any one else?—No one.

By Mr. Bertram :—

Q. Why is it you call this a report; that, apparently, from your own statement was a report that you were authorized and instructed by the Commission to make, but there is no statement of any such report in the evidence. Why is it you consider this a confidential report any more than any other work?—I have no particular reason, except that I did not wish to bind them to make it part of their evidence.

Q. Was it merely information you gave to them which they rejected in their report as being of no value?—I do not know what they did; I have not read their report in full.

By Mr. Bowell :—

Q. It is not there?—No; it is not embodied in the report that I know of.

By Mr. Bertram :—

Q. You can give us no reason why you considered this confidential any more than any other, except you may have made from any other books?—All the others were made in obedience to the ruling of the Commission publicly sitting and taking evidence. These were not.

Q. They were private instructions?—Private instructions from the Commissioners.

Q. And as such, were not properly a part of the report?—I cannot express an opinion on that, of course.

Q. You say you got no authority to do this, other than the personal authority of Mr. Smith. Might he not as well have told you to make an examination, in his position of Commissioner?—I was not a lawyer; I did not look at things from a legal point of view; I looked at them from a common-sense point of view.

By Mr. Bowell :—

Q. Did not you consider yourself bound to do what your chiefs told you?—Yes.

By Mr. Bertram :—

Q. Then if the Commissioners had told you to do anything not exactly contrary to law—say, to sweep out a barber shop—would you have considered it your duty to do it?—Certainly not.

Q. You were only there to carry out the instructions of the Commissioners, as such?—To do what I thought best.

Q. On their instruction?—No.

Q. Had you a separate order?—No, not that I know of.

Q. Were you not under their instructions?—I suppose I was, in a legal sense.

Q. Had you any *locus standi* on the Commission, other than what the Commissioners gave you?—I do not know that I had.

Q. You say you were employed by the Commission?—I think I was.

*Mr. Killam :—*I disapprove of the production of this paper, because we want what Mr. Miall knows, and not what he thinks; but I think it would be best to order the production of so much of it as is a compilation of the annual reports of the Company, for the periods mentioned, because it may be useful to us; being simply a matter of fact.

The Chairman ruled:—I think that this report or memorandum was not before the Commission, and we have no evidence that it was made at the instance of the Commission, as such; that they did not act upon it; that we have no right to assume that they should have acted upon it. I think, with regard to Mr. Killam's suggestion, that the whole must be produced, or none. I therefore rule, that it be not produced.

I have read over the evidence which is correctly taken down, but I desire to modify it upon two points.

Firstly. I am reported to have said in reply to question marked (a), I do not know what statements were made by the Company. In making this reply I must have misunderstood the question as it is directly in opposition to my statements made before and after it.

Secondly. With reference to the question as to whether I had shown my memorandum to any one, I may say that I was replying to what appeared to me to be the spirit of the question. I desire to modify it by saying that I showed it to Mr. Attorney General Mowat before placing it in hands of Commissioners, and I have since shown the original draft to one or two personal friends in the Department, but it has never been shown to any person whatever outside of the Departments.

(Signed) E. MIALL, Jr.

Thursday, 12th April, 1877.

Committee met:—MR. ARCHIBALD, in the Chair.

BARLOW CUMBERLAND, sworn, and examined:

By Mr. Guthrie:

Q. You are a son of Frederick Cumberland, the manager of the Road?—Yes.

Q. I believe that you were Chairman of what is called the Executive Committee during his absence in the fall of 1874?—Yes; I was.

Q. You see two vouchers dated in October, 1874, one for \$250, and the other for \$270?—Yes; I see them both.

Q. Accounts against the Northern Railway by the "*Mail Publishing Company*?"—Yes.

Q. For editorials and notices?—Yes; for editorials and notices.

Q. Was that voucher certified by you?—Yes.

Q. I think Mr. Cumberland said they were your initials on the vouchers?—They were his initials made by me, being the technical mark used in passing vouchers.

Q. What were these accounts paid to the *Mail Company* for?—For Mr. Angus Morrison's stock.

Q. How did it come to be put in the shape of a charge for editorials and notices?—In this way: Mr. Morrison came to me while Mr. Cumberland was in England and told me that he had subscribed a thousand dollars at the instance of the Company in the *Mail*, that the first portion of it had been paid up by the Company, and that he was being very much pressed for the balance, and asked me to have the balance paid. He assured me that it was all in that way, and I said I did not feel prepared to take the responsibility of paying that stock; but if an arrangement could be made by which it could be paid under a general account so that if it was not right it would be subject to revision on the return of the manager, I would pay up the balance, the \$520. In that way the vouchers were submitted, and I passed them and paid them.

Q. Who produced the voucher?—Mr. Dixon, of the *Mail*.

Q. Who is he?—He is the financial clerk, I think.

Q. He brought them to you in the shape in which they were paid?—I think I had a conversation with him before he brought them, and my impression is that I suggested the character of the account; that is my impression.

Q. You say your impression is that you saw Mr. Dixon before he came with the vouchers?—I think so.

Q. How did he come to see you?—I presume at the instance of Mr. Morrison.

Q. Why was the matter put in the shape of two vouchers?—That was also done at my request. We were rather hard up for money at the time, and I preferred to spread the payments; one was on the 2nd October, and the other on the 23rd October, 1874.

Q. Then did Mr. Dixon come to you twice with the vouchers?—Yes; he came twice.

Q. First with one on the 2nd, and the other on the 23rd?—I do not know whether he came on these dates, but these were the times.

By Mr. Palmer:—

Q. How does the account come to be instead of \$500, \$520?—The \$20 was explained to me by Mr. Morrison as interest on the notes that had been running for the \$500.

Q. You thought this was the best way of hiding it up?—No; I did not think of hiding it up. I brought it to the attention of the Manager afterwards that it was the balance of the \$1,000 stock.

By Mr. Guthrie:—

Q. Have you anything to say as to what was said in the Royal Commission as to the commissions on insurance?—I wish to say that for four years before I went into the service of the Northern Railway Company, I was acting as their insurance agent, being allowed commissions between the Company and the insurance companies, in the same way that Mr. Spratt had been for many years prior to that time, and when I entered the service of the Northern Railway my commissions as an insurance agent were regarded as a portion of my salary; that a year after I had entered the service and became more acquainted with the risks, I saw a means of reducing the insurances of the Company; that I did reduce these; that the commissions were reduced by that much, and in consequence that my fixed salary was by that much increased.

By Mr. Palmer:—

Q. Then I understand that it was understood by the company that your services were paid for partly by your commissions and partly by the salary?—Precisely; and a condition of the arrangement made before I entered the service.

By Mr. Bowell:—

Q. Who paid these commissions?—The insurance companies.

Q. Did that come out of the funds of the Northern Railway, these commissions?—Whatever I received from the insurance companies was a proportion of my salary.

Q. What I want to know is, who paid these commissions?—They were paid practically by the Company.

Q. In addition to the premiums they were paid for the insurance?—No; they were a portion of the premiums.

Q. Which company do you mean?—All the companies, there were five companies.

Q. That is they were allowed by the insurance companies—Yes; What I desired to state was this: that these commissions were with the knowledge of the Railway Company and recognized as a portion of my salary.

By Mr. Bertram:—

Q. Mr. Cumberland, when you were Chairman of the Executive Board, when your father was in England, were there any other items that you certified to of a similar kind to these that were not properly payable by the Railway Company. When I say not properly payable, I mean in the ordinary business?—Not any.

By Mr. Bowell:—

Q. When Mr. Cumberland returned, did you bring this to his notice?—I did.

Q. What was done?—Nothing further was done except that I told him that we had paid up the balance of Mr. Morrison's stock.

Q. You stated that you said to Mr. Morrison that when the manager returned, if it was not all right it would be made right?—Yes.

Q. Did you bring it under Mr. Cumberland's notice?—Yes.

Q. Can you say whether you told him the manner of paying it?—I cannot say. I explained the vouchers to him.

Q. And he approved of what you did; he approved of the way of paying the \$500,—the manner of paying it?—I suppose so; I am not sure whether I told him at that time of the manner in which it was done. We passed a great many vouchers.

(Signed) BARLOW CUMBERLAND.

MONDAY, April 16th, 1877.

Committee met.—Mr. ARCHIBALD in the Chair.

ANGUS MORRISON, sworn, and examined:

By Mr. Bertram:—

Q. Were you a director of the Northern Railroad?—I was twenty years ago, and in 1871 was re-elected by the bondholders.

Q. When did you resign?—I never resigned; I was turned out.

Q. When?—In February, 1874, at the annual election of the Company.

Q. There is a draft here, May 23rd, 1872, \$2,000, made by John R. Robinson and endorsed by you; and another dated 13th March, 1873, drawn by Mr. Robinson and endorsed by you for \$1,000; also another note here of \$750 made by Mr. Robinson and endorsed by Mr. Robinson: in all \$3,750; did you get any part of that money? The note for \$1,000 dated on March, I did.

Q. Any of the others?—The one dated in April, which I name, is not on; I know nothing about it.

Q. And the other one?—The \$2,000 I have no knowledge of; except that I see my name on the back of it.

Q. You have no knowledge of how these funds of all this draft were applied?—None.

Q. You got some of the money of the draft for \$1,000?—I believe Mr. Robinson gave me a portion to the best of my recollection, but I could not say the amount.

Q. You did not get it all?—No.

Q. You cannot say how much you got?—No; it was all spent in hospitalities; I was looked upon as rather a liberal man, and could pay my bills.

Q. Did you get no part of the other drafts?—I have no recollection of having received any part of the proceeds.

Q. I may explain that Mr. Robinson says you got half of the \$3,750?—That is not the case.

Q. You could not approximate the amount you received of that \$1,000? I could not; I have gone through my bank books before I visited Ottawa, and I could not tell from them.

There is a letter of 28th June, of Mr. Cumberland's, with reference to \$1,000 granted to you. I would like you to explain what services you rendered to the company for that payment?—This is dated June, 1871. It is between Messrs. Smith, Barnhart and Cumberland, and says Mr. Morrison should get this money. If I got this money, I swear that I never put one cent in my pocket.

Q. I suppose you got the money. I ask you what services you rendered to the Railroad Company?—It may have been professional services that I rendered for the last twenty years to the Company, or it may have been gratuities; but the money must have gone up north for the extension lines in fighting for bonuses.

Q. You think you got that \$1,000 for your services in getting the municipalities to vote bonuses?—I swear that I never obtained the \$1,000; if I received it, it must have gone into other quarters, and not into my pocket.

Q. Did you say it was not given to you?—I have no recollection of it; there is nothing in my books to make my memory at all perfect about it. I have no recollec-

tion of ever getting it; but I now find it is changed in the Company's books to Parliamentary expenses. If I got the \$1,000, it was sent up north to Barrie or some other of those places, for the company.

Q. You have seen that letter before?—Yes, I have seen it.

Q. At the date it was written?—No; I only saw it on Saturday; I never saw it before then.

Q. There was another draft of yours, 7th June, 1869, \$400 currency?—I got that money for professional services.

Q. Can you tell us what were those services?—Drawing out bills, travelling expenses to New York, Montreal and Ottawa.

Q. What bills were they?—Being connected with the railway since 1851, I was always appealed to to advise on the bills and revise them.

Q. What bill was it you drew that that was in payment of?—If I referred to the Journals I could tell. There were a number of bills.

Q. There was no legislation in 1869; there was legislation in 1868?—It was in Toronto, I find in my books, that I wrote a letter stating that I wanted to get my bill paid; and that is the way I received it.

Q. Were you the regular legal adviser of the Company?—I was not; I was merely parliamentary adviser.

Q. Were you a subscriber to the stock of the *Mail* newspaper?—By my name I was.

Q. What amount of stock did you take?—I think my name was down for \$1,000.

Q. What is the amount per share?—I think the shares were \$100 each.

Q. Did you pay for these ten shares?—I did not.

Q. Were they paid for?—I assume they were paid; I think they were paid for at various periods by the Northern Railway Company.

Q. How were they paid?—They were paid by the Northern Railway Company under Mr. Cumberland's order.

Q. Had you any understanding with the Board of the Northern Railway Company when you took these shares that they would be paid by the Company?—Never.

Q. Had you any understanding with Mr. Cumberland?—None at all, except calling upon him to pay the shares up as they became due.

Q. Why did you call upon him any more than any one else to pay the shares?—Mr. Cumberland with the late Mr. Sandfield Macdonald met me in the streets in Toronto, with a subscription list, and asked me to take stock; I said I could not afford it, I had not the means to do so; Mr. Cumberland, or rather Mr. Macdonald said, put down your name and we will see it paid.

Q. Mr. Cumberland and Macdonald would see it paid?—No; Sandfield Macdonald would see that it was paid.

Q. When the shares were payable, did you apply to Sandfield Macdonald?—I did not.

B. Why?—Because I understood afterwards that the Northern Railway was to pay the stock.

Q. How did this come to your knowledge?—From Mr. Cumberland.

Q. Did Mr. Cumberland volunteer this information to you?—He did not volunteer any information to me at all on the matter, but stated that he would see it paid, and would pay it.

Q. Did I understand you to say that Sandfield Macdonald promised to see it paid?—If you will allow me: there was a conversation on the street, and I was asked by Sandfield Macdonald to subscribe; they said, put your name down here we want you to represent the Company, and I put down my name with the understanding between Mr. Cumberland and Sandfield Macdonald that it would be had.

Q. Did you say it was between them both?—The conversation was mutual; they said if I took the stock they would see it paid.

Q. They both said they would see it paid?—Yes, both.

Q. Did you understand it was paid out of the funds of the Company?—I would say so; yes, in the interests of the Company.

Q. How did you expect the payment of that stock you subscribed was in the interests of the Company?—Because the Company were then contending with the late Government to get the Government lien removed. I fancy that it was the principle object, and also to support the political party in getting the paper up.

Q. You say you were trying to get the Government lien removed from the road?—I was at that time.

Q. What year was that?—The Company commenced about this lien from 1869, up to the time it was removed.

Q. Had you an understanding with the managers of the paper that they were to assist in getting this lien removed?—No, I had not.

Q. Did you expect their assistance in taking this stock?—I have no objection to say that. There was not a manager till afterwards.

Q. You had some legislation about the time these drafts were drawn. You were trying to get Bills through the House in 1873?—Yes.

Q. The resolutions on which that Bill was to be founded were introduced by Mr. Tilley?—Yes.

Q. Can you tell the Committee what amount this resolution proposed was to be paid on the lien?—The same as was passed by the present Government.

Q. The same in money?—The same in money; yes, I think £100,000 sterling.

Q. Further, I ask you, were they to give up the £50,000 of second preferences and the £50,000 of 3 B bonds?—Yes.

Q. Did this newspaper to which the Northern Railway subscribed stock assist you by advocating it, and on trying to get the Government lien removed?—Not within my knowledge.

Q. Then they did not give you the assistance you expected?—Not within my knowledge.

Q. You were a Director of the Northern in 1872?—I was; in 1871, 1872 and 1873.

Q. Were you aware of any money being paid out of the funds of the Northern Railway for the purpose of assisting the election of your friends, or any one else, in 1872?—Not to my knowledge.

Q. You do not know of the subscription received by Mr. Campbell?—I know nothing about it.

Q. Did you apply to receive any assistance for the election of any of your friends to Mr. Cumberland?—I recollect a subscription of \$100 which my friends received from him to assist my election.

Q. What year was that?—That would be in 1873.

Q. In January, 1873?—Yes.

Q. Was that paid to yourself?—It was paid on account of my election in Niagara; it was not paid to myself, but I knew of it. I assume it was Mr. Cumberland's own private money.

Q. I suppose, as a director, you were not in the habit of looking into the accounts of the Northern Railway?—Never.

Q. The management was entirely in the hands of Mr. Cumberland?—It was entirely under the control of Mr. Cumberland, and the directors were merely called together for the purpose of passing legal resolutions for the purpose of carrying on the affairs of the Company.

Q. Were you aware that in 1873, Mr. Robinson's election expenses in Algoma were paid?—Not from my own knowledge; but from hearsay.

Q. I asked you if you knew of any other subscription in 1872, and you said, no. You must have heard of this one?—I heard of it after I left the Board, at the time we were removed from it, but not at the time I was a director.

Q. Have you no way that you could refresh your memory about the \$1,000 paid to you for these services; we saw an entry in the books, and I suppose the money must have been paid, and I would like you to give us some information upon it?—I can but give my own impression. I think that money, from information I have lately obtained, was sent up there to assist in the extension lines, and to

oppose bonuses being given for lines which were running against the Northern Railway's interest. I am satisfied it went up there; I have no knowledge of it coming to my hands. I will not say it did not, but I have no knowledge of it. If I had received it for my services to the Northern Railway Company, I would not have been paid too much. All I know about that is that when I saw it I was surprised. There was no communication or voucher on my part to show that I got it, and there is nothing in my bank book, and I would see from my bank book everything connected with this transaction. I have looked through my papers, and I have no evidence to show that I ever got the money, and I would not swear that I did not get it; but, from what I am told in regard to this transaction, of which I knew nothing till Saturday, I believe that the money went up for these expenses; that is to say, the expense of bringing people up there, and of working against these contending lines. I would not say, from the papers, that I did not get it, but if I did, it went to that quarter.

Q. Were you one of the shareholders in the Couchiching Hotel Company?—I was not. This note of \$2,000, on the back of which I see my name, is, I think, one of the transactions connected with the Extensions line. I am satisfied that that is connected with the railway for travelling expenses, &c. Mr. Robinson and myself went down to New York with Mr. Cumberland, and to Montreal and other places. I think I came down several other times with Mr. Cumberland and Mr. Robinson, but I swear that I never received a dollar of it.

Q. This note was drawn here while the House was in Session?—I know it was. The first thousand I knew all about it.

Q. Were you in the habit of endorsing notes for the Railway Company?—I will not answer that because I have endorsed too much.

Q. Had you any power to sign?—I never signed any paper except in these cases. I have done it for private individuals.

Q. Did Mr. Robinson draw this \$2,000?—I expect he did.

Q. You have no knowledge of what it was paid out for?—No.

By Mr. Killam:—

Q. Where did the conversation take place between you and Mr. Sandfield Macdonald when he asked you to take the stock in the *Mail*?—At the corner of Bay and King streets.

Q. Was that the day on which the *Mail* was first projected?—It was long previous.

Q. Was it the day on which he first thought of starting it?—No, it had been thought of about two years before.

By Mr. Bowell:—

Q. You say you did not leave the Board and that you were turned off?—I was.

Q. What do you mean by that; was it for bad conduct?—I should think not.

Q. Was it because you had had any difficulties in reference to the disbursements of this money?—No.

Q. Was there a reason assigned by Mr. Cumberland?—The reason was that I was one of the most unselfish public men in the country; and I, being unselfish, was asked to leave the Board for the purpose of taking men in who were more in unison with the present Administration than I was.

Q. Why was it necessary, in running the Railway, that the directors should be politically in accord with the Government of the day?—It was, I presume, to get the Government lien removed, in accordance with the resolution passed the year before.

Q. Did you understand from Mr. Cumberland that your remaining on the Board, being politically opposed to the present Government, would affect the doing of what he considered justice to the Railway?—Impliedly I assumed at that. I will say yes, I think so. I have got Mr. Cumberland's letter with regard to that question, Mr. Cumberland having written me to that effect.

By Mr. Killam:—

Q. Did Mr. Cumberland say that the Government expected that?—No.

By Mr. Bowell:—

Q. You have Mr. Cumberland's letter?—Yes; he wrote me an exceedingly kind letter.

Q. Was that in reference to your removal from the Board?—Yes.

Q. Where is it?—It is at home. It is marked private and confidential. I only refer to one part of it, and that is merely the part that answers the question you put to me. I got the information from him that I and Mr. Robinson should be removed.

Q. Can you produce the letter?—I have not got it with me.

Q. Can you send it?—I do not think I should produce it unless Mr. Cumberland gives his consent.

Q. If there is nothing beyond what you have stated, I do not care about it?—There is nothing in it but that. I would, for my part, desire to send it down, because it is a great compliment to myself. I asked why I was to be removed from the Board, and that is the answer. If I am ordered to produce it of course I will do so.

Q. You say the \$400 you obtained was for services rendered in Toronto; not for your parliamentary services rendered here while in parliament?—Not one cent for parliamentary services.

Q. Did you ever receive any money from the railway funds for services rendered while a member of parliament?—I never did in my life.

Q. Although you did not receive half the money from Mr. Robinson that he drew while he was promoting the Bill, you stated you received a portion of it?—A portion of it.

Q. How did you spend it?—In hospitalities.

Q. You don't remember the particulars?—No.

Q. In reference to the *Mail* newspaper stock. You say you took \$1,000 in the *Mail* at the instance of Mr. Cumberland and Sandfield Macdonald, with the distinct understanding that you were not to pay it?—Yes.

Q. Were you told how it was to be paid?—I was not.

Q. You were aware that it was subsequently paid by the Northern?—Yes; you will see that by my letter urging Mr. Cumberland to pay it, because I was almost going to be sued for it.

Q. Did they threaten to take away the stock?—Yes; they threatened to sue me.

Q. Then Mr. Cumberland paid it?—Yes.

Q. Barlow Cumberland said the last payment was made by him. In order to enable him to charge the payment to some account in the books he suggested an account being made out for editorial notices?—I have no knowledge of that. Mr. F. W. Cumberland was in England and I asked his son to go and pay that stock up.

Q. You do not know the means by which it was paid?—I do not.

Q. Do you remember when Mr. Tilley introduced the resolution in 1873, upon what report the value of the Northern Railway lien was arrived at?—I do.

Q. How was it?—I think in 1872, we, Mr. Cumberland and myself, came down here for the purpose of negotiating with the Government about it. Sir Francis Hincks was in the Government at the time, and it was left to Mr. Strathy, who was the head of the Bank of Commerce, and Mr. Langton, who was in the Customs. They valued the stock, but they differed, and after we had had negotiations with Sir Francis Hincks and the Government, it was agreed that we would state the difference between the two—the report will be found in the journals—and it was agreed by the Government to accept £100,000; they valued it at £90,000. Upon that basis the Government introduced the resolution.

Q. The cashier valued it at £90,000, Mr. Langton at £100,000?—No; they were all under £100,000.

Q. The Government then compromised at £100,000 sterling?—Yes.

By the Chairman:—

Q. That was more than either one of the arbitrators valued it at?—Yes; more than any one of them valued it at, that was the basis upon which it was settled; then when the Parliament met we came down.

Q. 'The \$100 subscription made to your election by Mr. Cumberland was to yourself personally?—I am told it was.

Q. Have you any idea that that came out of the railway funds?—Not the remotest.

By Mr. Killam:—

Q. You were a candidate for the House in 1874?—I was.

Q. For what constituency?—For Centre Toronto, and was defeated.

Q. It was on this occasion that you received this small subscription from Mr. Cumberland?—I am sure it was for Niagara in 1872.

By Mr. Bertram:—

Q. As a Director of the Northern Railway, you were very anxious to have this arrangement to pay the £100,000 sterling carried out?—Very anxious.

Q. You thought it would be a good arrangement for the Railway Company?—Decidedly so; I will follow the answer by saying that the object was to get the lien removed whereby we could raise £100,000 for the purpose of putting steel rails on the railway, extending the cars, and making it in unison with our railway system, and we could not raise that money while the lien was on.

Q. And when the Government, of which you were a prominent supporter, went out in 1873, it was considered by parties who had the management of the road that the interests of the road would be subserved by changing the directorship?—Yes; I will go so far as to say that if Mr. Cumberland had spoken to me I would have resigned in the interest of the road to let other parties come in.

Q. I suppose the object of the Company was simply to try to have this arrangement carried out?—No doubt of it.

Q. You said in your evidence that they did not quite manage to get the lien removed at the time for £100,000?—We did not while we were in power.

Q. As a matter of fact they paid £100,000, and £100,000 more in bonds; that is the way it was settled, was it not?—I have no knowledge of that; I was not on the Board.

Q. You said in your evidence that the second debenture bonds and 3 B bonds were not included in the first settlement?—That was not discussed.

Q. So that actually there was £100,000 in bond difference between the two settlements?—No.

Q. You stated that before?—We were contending to get the lien arranged at £100,000 sterling (\$500,000); negotiations were then to go on with regard to the settlement of that if we obtained the million of money in England.

Q. Did I understand you to say that this £100,000 was in full settlement of any claim of the Government?—Oh, no; I never said so. If the resolutions could be produced here I could find exactly what the settlement was; the other was a matter of detail altogether; the first thing, as I understand, was to get the lien off.

Q. Do I understand your evidence to be that there were no negotiations about the Government settling this \$250,000 of preference bonds?—It was thoroughly discussed.

Q. What was the arrangement they came to?—There was nothing final, so far as I know. All I know is that I was advocating to get the lien off for the \$500,000. We went before the Executive Council several times about it, and there was a great deal of talk in regard to it.

Q. You do not know whether the bonds were to remain in the same position they were?—I do not.

By Mr. Bowell:—

Q. Did you expend all the moneys you received for promoting this railway?—Yes; and a large sum more out of my own pocket.

Q. Then you did not make any money by this operation?—No; I lost money by it.

By Mr. Casgrain:—

Q. Was that all in hospitalities?—Yes.

By Mr. Bowell :—

Q. Have you any knowledge of the amount?—The fact is I have charged it to profit and loss in my own account.

TUESDAY, 17th April, 1877.

Committee met:—Mr. ARCHIBALD in the Chair.

Mr. ANGUS MORRISON recalled and further examined :

By Mr. Bertram :—

Q. Here is the note, Mr. Morrison, referred to in your evidence. Is this your endorsement?—(Note shown to witness)—That is my signature.

Q. I ask you if you got the money?—I say that I may have got it, but I have no recollection of getting it; but, if I did get it, it never went into my pocket, as I swore here yesterday.

(Signed)

ANGUS MORRISON.

MONDAY, April 16th, 1877.

Committee met—Mr. ARCHIBALD in the Chair.

Mr. THOMAS C. PATTESON, sworn, and examined :

By Mr. Bowell :—

Q. Mr. Barlow Cumberland in his evidence the other day stated that the balance of Mr. Morrison's stock was paid by the Northern Railway Company, and that two bills were made out, one for editorial notices in *Daily* and *Weekly Mail*, \$250, and another for editorial notices in *Daily* and *Weekly Mail*, \$270. That was to cover the \$500 stock remaining unpaid, and interest. Was any such work ever done for the Company as represented on those two accounts?—Certainly not.

Q. Will you explain to the Committee how it was that they were made out?—Mr. Morrison's subscription of \$1,000 stock in the Mail was made, as far as I knew, exactly as any other person's calls were paid, through himself, his clerk, or somebody representing him. They were not, within my knowledge, paid by the Northern Railway Company. He became a defaulter to the amount of about \$500.

By Mr. Casgrain :—

Q. At what date?—There was \$500 due in October, 1874, represented by promissory notes.

By Mr. Bowell :—

Q. That was paid?—That was paid by Barlow Cumberland.

Q. Had you any knowledge of this account being made out in that way to make up the amount?—The only knowledge I had was that I was pressing Mr. Morrison on a resolution of the shareholders that all amounts in default must be paid up. At least he referred my advertising agent to Barlow Cumberland. We went to the Northern Railway for the \$500, for which I should tell the Committee we held Mr. Morrison's own notes protested, and it was paid. And Barlow Cumberland suggested to Mr. Dixon to make out the accounts, which I now see for the first time, and which I heard of for the first time in Barlow Cumberland's evidence. I would not have allowed these accounts to have been rendered had it been within my knowledge.

(Exhibit A J produced.)

By Mr. McCarthy :—

Q. Does that show the amount of the account?—That is an exact transcript from our ledger.

Q. For some reason unknown to you these vouchers were given in without your knowledge?—Yes. It is the first time I have heard of such accounts being rendered to the Northern Railway Company.

Q. When the stock was originally subscribed did you ever hear of any arrangement by which the Northern Railway Company was to pay for it?—No. The first I

knew of it—and I did not know of it then—was when evidence was given before the Committee, and I did not know then that it might not be charged against Angus Morrison's account.

Q. As far as you know, you supposed that Mr. Morrison subscribed to the stock just as any other subscriber?—Yes; he was a party man.

Q. Were you present when he subscribed?—No; Mr. Sandfield Macdonald got his subscription, at least it was in his book. Several gentlemen took stock books, and Mr. Angus Morrison's appeared on that of Mr. Sandfield Macdonald.

By Mr. Casgrain :—

Q. I don't understand about these notes being protested?—The notes were in our hands for the balance of his stock; and they were a year and a half under protest.

Q. And these two covered the balance of the subscription and the interest?—There is \$20 for interest; it ought to have been \$120. There was a little inaccuracy in that respect.

Q. You have no doubt that these two vouchers came from the *Mail*?—Certainly they did.

Q. In whose handwriting are they?—The advertising agent—Dixon.

By Mr. Bertram :—

Q. Is Dixon the financial agent of your paper?—He was employed in collecting stock and amounts due on advertising; in fact, he has been a kind of head collecting clerk. I may say that I published in full the advertisement account, in the *Mail* of Friday week last. That is certified to be carried by Mr. Dixon.

Q. You learn for the first time of these two accounts having been insured by Dixon in this way?—Knew the money was got for the notes, but I never remember hearing how these accounts were made out.

Q. Do you consider this an improper account?—I do; because it is likely to bring a paper into discredit. Any paper would by such means be brought into discredit.

Q. I suppose you have reprimanded him?—I said it was a very unwise proceeding, but he throws the blame on Mr. Barlow Cumberland, and he did it as a way out of the difficulty. I did not reprimand him very severely.

By Mr. McCarthy :—

Q. You never charge for editorial notices?—Never.

Q. Never in any case?—Never.

Q. You never made and you were never paid for any editorial notices?—Never.

Q. I suppose the value of the stock was the stock?—Yes. I wish to say that I distinctly repudiate the idea that the Northern Railway Company ever influenced me to write an article for them from the time the stock was subscribed till the present moment.

By Mr. Bowell :—

Q. Did they ever try?—Never. The only thing ever said to me was by Mr. Cumberland, when this legislation was contemplated. He begged me to hold my tongue, and not to write articles for or against the Northern Railway.

By Mr. McCarthy :—

Q. Did you know about Mr. Cumberland paying his stock himself or from the railway?—Certainly not.

Q. Did you suppose that Mr. Cumberland subscribed on his own account or for the railway?—On his own account.

Q. Was he a Director of the *Mail* Company?—No; but he was one of the most interested of the shareholders. He always talked more than any other man at the meetings, and he took great interest in the paper as a political partizan.

Q. I believe that Mr. Morrison was a Director for some time?—Several years.

Q. Would he have been a Director if you supposed he represented somebody else interested in the stock?—It would not have devolved upon me to say that.

By Mr. Casgrain :—

Q. Is the stock still in Mr. Morrison's name?—It is.

By Mr. Bertram:—

Q. You say that Mr. Cumberland begged you to hold your tongue?—The only request that was made to me was, not to write an article at the time that Mr. Manning and others waited on Sir Francis Hincks here endeavouring to arrive at a settlement; and it got to Mr. Cumberland's ears that I was going to write an article, and he begged me to let it alone.

By Mr. Bowell:—

Q. That was the time the *Globe* was opposing the settlement?—I suppose it was; and I suppose that is the reason I was asked not to throw any more fat into the fire.

Q. An article in defence of the Railroad would have brought out the *Globe* more bitterly against it?—I do not say he asked me except in a casual sort of way. I only used the expression to show that the *Mail* was not influenced.

By Mr. Bertram:—

Q. Were you in favour of that settlement?—I was in favour of any settlement, but that has nothing to do with my position on the paper.

By Mr. McCarthy:—

Q. Have you a memorandum about the order given by you to Mr. Cumberland to pay this \$110 to L. P. Shears as the balance of the account of the owner to Sir Francis Hincks?—I have no knowledge as to whether it was paid by Mr. Cumberland or his railroad.

Q. When did the dinner take place?—When I was Assistant Provincial Secretary. I think in 1870. I acted as Secretary to Mr. Sandfield Macdonald, and there was a deficit to the amount of about \$110.

Q. This dinner was given in 1872 or 1873?—In 1869.

Q. The order was given on April 23, 1870. When did the *Mail* start?—In 1872. I was Assistant Provincial Secretary, I acted as a *quasi* Government officer and got the dinner up and put it through. There was a balance against the dinner fund and we had to go around and get subscriptions, and amongst others, Mr. Cumberland paid an amount.

Q. And you had no means of knowing who the subscription was paid by?—Not the least; I always took it for granted that it was paid by Mr. Cumberland.

(Signed)

THOS. C. PATTESON.

(EXHIBITS.)

A.

NORTHERN RAILWAY COMPANY.

August, 1853—Debentures issued.....	\$1,338,333 33
Dec., 1854 do	973,333 34
	<hr/>
	2,311,666 67
Oct., 1876—Cash on account.....	486,666 66
	<hr/>
	1,825,000 01
	<hr/>

NORTHERN RAILWAY COMPANY.

INTEREST ACCOUNT.

Interest charged to December, 1861.....	\$ 913,768 56
Less—Bond received in 1861 on account.....	243,333 33
	<hr/>
	670,435 23
Interest charged to June, 1867.....	763,325 00
	<hr/>
	1,433,760 23
Interest to 31st December, 1874, Seventy-two years, at 6 per cent	1,040,250 00
	<hr/>
	2,474,010 23
Less—Preference Bond	243,333 33
	<hr/>
	2,230,676 90
Interest to 31st December, 1876, two years, at 6 per cent	\$277,400 00
Less—Two months interest on \$486,666 66	4,866 66
	<hr/>
	272,533 34
	<hr/>
	\$2,503,210 24

B.

NORTHERN RAILWAY OF CANADA.

ABSTRACT of Revenue Expenditure on New Works, Rolling Stock, &c., from 1863 to 1875.

Year.	New Works, &c.	New Rolling Stock.
1863.....	£3,234	£1,618
1864.....	2,172	2,303
1865.....	2,385	6,459
1866.....	1,550	3,181
1867.....	13,822	3,886
1868.....	8,327	2,488
1869.....	18,083	14,086
1870.....	14,735	11,902
1871.....	18,732	8,344
1872.....	20,896	14,981
1873.....	25,060	6,115
1874.....	8,965	3,130
1875.....	4,615	877
	<u>142,576</u>	<u>79,373</u>
		£221,949

Mileage of Main Track and Sidings.

	Main Track.	Sidings.	Total.
In 1859.....	95	8	103
In 1876.....	177	36	213
Increase.....	<u>82</u>	<u>28</u>	<u>110</u>

NOTE.—It was only by investing these surplus earnings, as they arose in each year, that the facilities and carrying power of the line were so extended, from time to time, as to enable it to earn the revenues which now represent the value of the undertaking, and have thus enabled the Company to make the following contributions to the Government in regard to its Lien, which was absolutely valueless in 1858, viz.:—

In extinguishment of Lien.....	£100,000 cash.
In Bonds of the Company, representing.....	100,000
And in annual interest since 1858.....	63,000 cash.

C.

NORTHERN RAILWAY OF CANADA.

STATEMENT of Gross Earnings and Net Revenue, 1858 to 1876.

MAIN LINE AND EXTENSIONS.

Year.	Gross Receipts.	Working Expenses.	Per Centage.	Net Revenue.
1858.....	£53,847	£53,851	.....	Minus £4
1859.....	49,391	40,987	82.98	£14,918
1860.....	68,511	53,593	78.22	14,918
1861.....	84,555	57,400	67.88	27,155
1862.....	83,588	61,840	73.98	21,748
1863.....	83,549	44,905	54.07	38,644
1864.....	96,013	50,166	52.25	45,847
1865.....	104,126	56,700	55.88	47,426
1866.....	105,385	63,510	60.26	41,875
1867.....	115,350	63,396	59.29	46,954
1868.....	113,028	69,019	61.06	44,009
1869.....	137,892	69,459	50.37	68,433
1870.....	159,733	87,558	58.08	63,175
1871.....	159,760	94,791	59.33	64,969
1872.....	183,857	108,597	59.06	75,260
1873.....	185,303	121,237	65.42	64,060
1874.....	184,129	117,226	63.66	66,903
1875.....	152,999	97,389	63.64	65,610
1876.....	161,260	93,400	57.81	67,860

NOTE.—In 1858 and previously the working expenses exceeded the gross earnings, and a floating debt had accumulated to the extent of £64,448 sterling (\$313,218).

D.
NORTHERN RAILWAY COMPANY OF CANADA.

STATEMENT shewing Rolling Stock Equipment from Years 1859 to 1876.

	1859.	1860.	1861.	1862.	1863.	1864.	1865.	1866.	1867.	1868.	1869.	1870.	1871.	1872.	1873.	1874.	1875.	1876.
Locomotive Engines	17	17	18	18	18	18	18	18	18	20	21	24	24	30	32	32	32	34
Passenger Cars, 1st class.....	13	13	17	18	18	18	19	19	19	19	19	18	18	18	22	22	23	24
do 2nd do	7	7	7	3	3	3	1	1	1	1	1	1	1	3	11	11	11	12
do Mail, Express and Baggage.....	2	3	2	3	3	3	3	3	3	3	6	7	9	10	11	11	11	12
do Box Freight Cars	116	108	117	117	117	117	108	114	147	147	149	153	173	176	201	201	201	201
Platform do	160	158	167	174	181	205	211	229	265	266	346	410	411	511	512	512	512	513
Dump do .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	40	52	52	52	52	52	53
Conductors' Vans.....	.....	.....	.....	.....	.....	.....	6	.....	.....	.....	.....	9	12	12	16	16	16	16

RESUME

	1859.	1876.	Increase.
Locomotive Engines.....	17	34	17
Passenger Train Stock.....	22	36	14
Box Freight Cars.....	116	205	89
Platform do	160	512	352
Conductors' Vans.....	.....	16	16
Dump Cars.....	.....	52	52
Totals, all classes	298	821	523

R.

SUNDRY ACCOUNTS.

Ledger 7, folio 375.

COMPETITIVE AND PROTECTIVE LINES.

Pacific Junction Railway	\$3,472 33
South Simcoe Junction	8,259 81
Grey and Simcoe Railway	3,941 86
Expenditure	300 00

\$15,973 99*Ledger 7, folio 965.*

F. W. Cumberland Special Account—Chicora draft... \$8,000 00

Special Ledger, folio 340, 341.

W. Hamilton & Son	\$2,616 00
Hon. D. L. Macpherson.....	2,500 00
F. W. Cumberland Adjustment account	
—Bill receivable	\$2,181 29
do	10,411 92

\$12,593 21

Q.

*Position of Mr. Cumberland's Account at time of giving Note, \$2,181.29,
30th June, 1869.*

Jan. 1, '69.—To Balance.....	\$2,529 16	June 30, '69.—By Salary from 1st Jan. to 30th June, 1869, credited	\$6,083 32
" 30, '69.—To Cash to 30th June, 1869.	5,724 20	" 30, '69.—By Travelling expenses	94 00
" 30, '69.—Insurance Acct....	37 50	" 30, '69.—By Bills received to balance account at close of half-year	2,181 29
" 30, '69.—Employés Wood Account	61 75		
" 30, '69.—Employés Sick Fund	6 00		
	<u>\$8,358 61</u>		<u>\$8,358 61</u>

*Position of Mr. Cumberland's Account at time of giving Note, \$10,411.92,
15th April, 1873.*

Jan. 3, '73. To Balance.....	\$928 07	March 31, '73. By Salary cre- dited	\$1,642 50
" 10, '73. On account "Chi- cora".....	6,245 00	March 31, '73. By Bills re- ceivable of 15th April, 1873.....	10,411 92
" 10, '73. Trav'ing expenses	412 00		
" 10, '73. Cash to 15th April.	4,780 68		
	<u>\$12,365 75</u>		<u>\$12,054 42</u>

B.

NORTHERN RAILWAY OF CANADA.

EXTENSION LINES.

1. *Cost of Construction* :—

Cost of construction of Extension Lines prior to date of amalgamation	\$1,507,657 78	
Cost to complete to Gravenhurst, subsequent to amalgamation	258,361 00	
		<hr/>
Total cost of completed Lines.....		\$1,766,018 78
or \$24,528 per mile.		<hr/> <hr/>

2. *Rate of Amalgamation or Purchase* :—

The Northern Extension Railways were amalgamated with the Northern Railway Company at a cost of	\$1,438,389 14	
Or \$19,977.62 per mile, as per Deed of Amalgamation, dated 3rd June, 1875.		<hr/> <hr/>

Margin of reduction to Northern Railway	\$327,629 64	
Or at the rate of \$4,551 per mile.		<hr/> <hr/>

3. *Public Grants* :—

1. Municipal Bonuses.....	\$225,558 08	
2. Government Subsidies.....	196,188 00	
		<hr/>
		\$421,746 08
		<hr/> <hr/>

4. *Capital Account of Extensions as taken over under Deed of Amalgamation* :—

1. Debenture Debt—		
1. 1st Preference Bonds.....	£133,200	
2. Improved Mortgage Bonds.....	44,400	
		<hr/>
	£177,600	\$864,320 00
2. Township Bonds.....		18,707 12
		<hr/>
		\$883,027 12
3. Stock Account—		
Paid up Stock to date of amalgamation.....	\$13,800 00	
Add allowance authorized by Act—interest at 10 per cent. and premium at 12 per cent	7,348 16	
		<hr/>
		21,184 16

Total Capital Account taken over		\$904,211 28
--	--	--------------

5. *Floating Debt at Amalgamation* :—

1. Bills Payable.....	\$199,897 44	
2. N.R.C. Advance Dividend Account	50,549 84	
3. do do Capital Account	36,087 19	
4. do Current Account.....	20,755 62	
5. Open Accounts.....	17,737 31	
6. Contingencies	4,633 46	
		<hr/>
		329,660 86

6. Cost of Works of Completion:—

Actual Cost	258,361 00	
Less Government Subsidy.....	53,844 00	
		204,517 00
		\$1,438,389 14

NORTHERN RAILWAY COMPANY.

STATEMENT shewing List of Stockholders of Extension Company at [Amalgamation, 3rd June, 1875.

	Amount Subscribed.	Amount paid in.	Interest, 10 p c. and Premium, 12 p.c.	Amount of Scrip Issued.
	\$	\$	\$ cts.	\$ cts.
Hon. Frank Smith	18,600	3,720	1,976 42	5,696 42
W. H. Howland.....	9,300	1,860	988 22	2,848 22
Robert Wilkes.....	1,000	200	111 66	311 66
N. Barnhart.....	9,300	1,860	988 22	2,848 22
J. D. Edgar.....	9,300	1,860	988 22	2,848 22
Jno. J. Vickers	1,000	200	111 66	311 66
Jno. Turner	9,700	1,860	988 22	2,848 22
Hon. D. L. Macpherson.....	1,000	200	111 66	311 66
H. L. Hime	9,300	1,860	988 22	2,848 22
Thompson Smith.....	1,000	200	111 66	311 66
	\$68,500	\$13,800		21,184 16
				13,800 00
				\$7,384 16

S.

\$1,000.

OTTAWA, 13th March, 1873.

At three days' sight pay to the order of A. Morrison, Esq., at the Quebec Bank, in Toronto, one thousand dollars, value received, and charge the same to account of

JOHN BEVERLY ROBINSON.

To F. W. CUMBERLAND, Esq.,
Managing Director N. R. of Canada,
Toronto.

Accepted, 24th March.—F. W. CUMBERLAND, Manager N. R.
Paid.

(Endorsed) A. MORRISON.

T.

\$750.00.

OTTAWA, 17th April, 1873.

Ten days after date pay to the order of myself, seven hundred and fifty dollars, value received, and charge the same to account of

JOHN BEVERLY ROBINSON.

To F. W. CUMBERLAND, Esq.,
Managing Director, Northern R. R.,
Toronto.

Accepted.—F. W. CUMBERLAND, Managing Director, N. R. Co.

Paid April 30th.

(Endorsed) JOHN BEVERLY ROBINSON.

U.

\$2,000.

OTTAWA, 23rd May, 1873.

Thirty days after date pay to the order of Angus Morrison, Esq., at the Quebec Bank, Toronto, two thousand dollars, value received, and charge the same to account of

JOHN BEVERLY ROBINSON.

To F. CUMBERLAND, Esq.,
Managing Director, Northern R. R.,
Toronto.

Accepted.—F. W. CUMBERLAND, Managing Director, N. R. Co.

Paid 25th June.

(Endorsed) A. MORRISON.

V.

NORTHERN RAILWAY COMPANY.

RETURN—Re-advances to Extensions Company at date of lease and date of amalgamation respectively.

Amount advanced by Northern Railway Company on
account of Extensions Company at date of lease,
10th April, 1872..... \$ 29,973 81

This amount was written off repaid, 31st December, 1872.

Amount advanced by Northern Railway Company on account of Extension
Company, at date of amalgamation, 3rd June, 1875 :

Advance capital account..... \$ 36,087 19
Advance dividend account..... 50,549 84
Current account..... 20,755 62

\$107,392 65

Account balanced by these charges for deed of amalgamation, 3rd June, 1875.

W.

NORTHERN RAILWAY COMPANY.

RETURN—*Re* Lake Couchiching Hotel Company account.

Amount advanced by Northern Railway Company, 31st December, 1876, on account Lake Couchiching Hotel Company	\$ 10,479 72
Deduct amount of first mortgage held by Northern Railway Company on property of Hotel Company.....	10,000 00
	<hr/>
Balance covered by chattels.....	\$ 479 72

X.

(Copy.)

\$500.00

OTTAWA, Nov. 8th, 1869.

Three days after sight pay to my order \$500.00, at the office of the Bank of Montreal, Toronto, for value received as advised.

JOHN A. MACDONALD.

To F. W. CUMBERLAND, Esq.,
Toronto.

Accepted, 12th November, 1869.—FRED. CUMBERLAND. Paid.

(*Endorsed*) JOHN A. MACDONALD.

Y.

(Copy.)

\$500.00.

OTTAWA, 10th November, 1869.

At ten days sight pay to my order, at the office of the Bank of Montreal, the sum of five hundred dollars for value received as advised.

JOHN A. MACDONALD.

To FREDERICK CUMBERLAND, Esq., M.P.P.,
Toronto.

Accepted, 16th November, 1869.—FRED. CUMBERLAND.

(*Endorsed*) JOHN A. MACDONALD.

Z.

(Copy.—B. C., 4839.)

TORONTO, 7th June, 1869.

\$400.00.

At sight, please pay to my own order, at the Canadian Bank of Commerce in Toronto, four hundred dollars currency, and charge same to my account, against the Northern Railway Company.

Yours, &c.,

A. MORRISON.

F. W. CUMBERLAND, Esq.,
Manager of the Northern Railway,
Toronto.

Accepted, Item 116.—F. W. CUMBERLAND,
Managing Director N. R. Co.

AB.

LAKE COUCHICHING HOTEL COMPANY.

LIST OF SHAREHOLDERS.

Name.	No. of Shares.	Amount Subscribed.	Amount Paid.
Noah Barnhart.....	10	1,000 00	1,000 00
F. W. Cumberland.....	10	1,000 00	1,000 00
Robert Wilkes.....	10	1,000 00	1,000 00
Jos. Robinson.....	10	1,000 00	1,000 00
Estate John Crawford.....	10	1,000 00	1,000 00
W. D. Ardagh.....	5	500 00	500 00
William Thomson.....	10	1,000 00	1,000 00
H. C. Hime.....	10	1,000 00	1,000 00
G. D'Arcy Boulton.....	10	1,000 00	1,000 00
C. W. Moberly (transferred to R. Dickey).....	10	1,000 00	1,000 00
Hon. Frank Smith.....	10	1,000 00	1,000 00
J. R. Silliman.....	10	1,000 00	1,000 00
A. Manning.....	10	1,000 00	1,000 00
R. M. Elmsley.....	10	1,000 00	1,000 00
K. Chisholm.....	10	1,000 00	1,000 00
Hon. J. B. Robinson.....	10	1,000 00	500 00
J. D. Edgar.....	20	2,000 00	2,000 00
John Turner.....	10	1,000 00	1,000 00
G. M. Hawke (transferred to J. Turner).....	10	1,000 00	1,000 00
	195	19,500 00	19,000 00

Certified as a correct extract from the books of the Lake Couchiching Hotel Company.

CHARLES RIDOUT,
Secretary, L.C.H.C.

TORONTO, 6th April, 1877.

A.F.

NORTHERN EXTENSIONS RAILWAY OF CANADA.

STATEMENT of Accounts of J. D. Edgar and the Firms of which he was a partner, with the Toronto, Simcoe and Muskoka Junction, and the Northern Extensions Railways.

Date.		Services.	Disbursements.
		\$ cts.	cts.
	<i>J. D. Edgar (Edgar & Fenton).</i>		
1870.			
December	3	Costs and professional services from 1st Oct., 1869, to date.....	1,706 06 623 47
1871.			
March	31	Quarter salary and expenses.....	400 00 40 12
June	30	do do	400 00 143 05
August	31	do do	400 00 84 64
December	31	do do	400 00 62 70
		<i>Edgar & Fenton.</i>	
1872.			
May	31	Quarter salary and expenses.....	400 00 97 30
October	31	7 months' salary.....	933 33
1873.			
June	30	Solicitors' account.....	377 05 10 71
1874.			
September	24	do	706 51 150 28
do	24	do	308 00 74 49
		<i>Edgar, Fenton & Ridout.</i>	
September	24	Solicitors' account to 31st Dec., 1873.....	446 40 14 29
		Northern Extensions vs. Patterson (Chancery).....	100 00
		Northern Extensions vs. Knott.....	71 65
		do vs. Brown.....	115 78 120 75
		Solicitors' account to March, 1874.....	288 80
		do June, 1874.....	153 18
		do September, 1874...	29 00 31 50
		G. E. Corbould, Orillia Agency, 1872 to 1874.....	222 00
		<i>Jas. D. Edgar.</i>	
1875.			
June	3	Vote of Directors for services, including three months' in England.....	3,050 00
			10,507 76 1,453 30

AG.

NORTHERN RAILWAY OF CANADA.

STATEMENT of accounts of J. D. Edgar, and the firms of which he was a partner, with the Northern Railway, separating the disbursements from the services.

Date.	—	Services.	Disbursements.
		\$ cts.	\$ cts.
March 31, '68	Edgar & Grahame.....	274 00	91 00
June 30, '69	Strong, Edgar & Grahame.....	145 70	204 40
June 30, '69	do do do	55 50	133 53
June 3, '75	J. D. Edgar, Parliamentary Counsel.....	2,500 00	.....
		2,975 20	428 93

AH.

NORTHERN RAILWAY OF CANADA,
MANAGING DIRECTOR'S OFFICE.

TORONTO, 26th July, 1875.

MY DEAR ROBINSON,—As you are leaving to-morrow, it is quite impossible to go into the details of your account with us, so as to reach an adjustment before your departure; but immediately on your return, we will close it up. In the mean time, it is fair to you to say that I am quite aware that there are some charges embraced in the account against you which are not personal to yourself, and which, on investigation, will doubtless be written off.

With reference to your stipend as President, which you think ought to embrace 1874, I shall be happy, in the event of the new issue of stock being made, and the Government mortgage thereupon redeemed under the provisions of our recent Act, to recommend that your request be granted.

Very truly yours,

(Signed) F. W. CUMBERLAND.

The Hon. J. B. ROBINSON.

A1.
ANGUS MORRISON, M.P.

Cr.

Dr.

Dr.		\$ cts.		\$ cts.	Cr.
1873.	To Cash, retired draft.....	200 00	By Cash, 1st call, 10 shares.....	250 00	
Feb. 19.....	do do	400 00	do 2nd do	250 00	
June 30.....	do do	400 00	Draft, 3rd and 4th call, 10 shares.....	200 00	
July 29.....	Balance	900 00			
		1,900 00			1,900 00
Sept. 30.....	To Cash, protested note and charges.....	409 02	do 5th and 6th, due June 25th	400 00	
			do due July 28th.....	400 00	
1874.	do do	301 32	do due August 31st	400 00	
Jan. 31.....	Balance	489 66			
Aug. 31.....		1,200 00			1,200 00
			By Balance	900 00	
			Draft due January 9th	300 00	
Nov. 4.....	To Interest on notes	20 00			
	Balance	1,000 00	By Balance.....	489 66	
			Notarial charges allowed.....	10 34	
			Note due January 30th, 1875, North-		
			ern Railway Co.....	270 00	
			Note due February 7th, 1875, North-		
			ern Railway Co.....	250 00	
		1,020 00			1,020 00
			By Balance.....	1,000 00	
					1,000 00

AJ.

NORTHERN EXTENSION RAILWAYS COMPANY.

SPECIAL GENERAL MEETING,
ROSSIN HOUSE, Tuesday, 1st June, 1875.

Extracts from Minutes of Special General Meeting of Northern Extension Railways Company, held at Toronto on Tuesday, 1st June, 1875:—

The Secretary read the following report from the Board of Directors:

“NORTHERN EXTENSION RAILWAYS COMPANY.

“SPECIAL GENERAL MEETING.

“TUESDAY, 1st June, 1875.

“*Report of the Directors.*

“The Directors have the honour to report that they have had under careful consideration the permissive powers of amalgamation with the Northern Railway Company of Canada, under the Act thirty-eight Victoria, chapter sixty-five, and have been in negotiation with that Company as to the terms and manner of giving effect to the same.

“The provisions of the Act, so far as they relate to this Company, may be thus generally stated:

“1. The companies may amalgamate under an agreement sanctioned by their proprietors in special general meetings respectively.

“2. Provided that the price or sum at which the lines of this Company shall be transferred shall not exceed, when cleared of every incumbrance and liability, a charge equivalent to \$20,000 per mile; and provided, further, that within that charge the stock subscriptions actually paid up in cash (and within additional limitations as to interest and premium) to be paid in a new issue of preferential or ordinary stock to be made by the Northern Company under the said Act.

“3. All the rights and priorities of the debenture holders of this Company are reserved and continued without change.

“4. Pending the fulfilment of the agreement, three Directors of this Company, at the time of amalgamation, to be additional Directors of the Northern.

“Since the proposal for amalgamation has been under discussion, the works of the Extension Lines have been valued by two eminent engineers (acting on behalf of the Northern Company) at \$27,341 per mile; so that at the rate of transfer limited by the Act (\$20,000 per mile) all the Government subsidies and municipal bonuses enure to the Northern Company with the property.

“Under the provisions of the Act, therefore, this Company, in the event of amalgamation, will have incurred all the risk, responsibilities and labours of an important public work, without any possibility of profit other than nominal, and the benefit of the public grants will pass to another proprietary.

“Inasmuch, however, as that of the 72 miles of railway embraced in the Company's undertaking, 13 yet remain to be constructed, and as in consequence of the exceptionally high standard of the works, and the failure of several of the municipalities to contribute to the capital, the financial ability of the Company is exhausted, the transfer of the property, with a view to its immediate completion to Gravenhurst, would seem to be an imperative duty and a necessary sacrifice. The Directors accordingly submit an agreement for amalgamation, which, if sanctioned by both Companies, will legally free the undertakings and will, they trust, ensure the early fulfilment of the original and leading object of the enterprise.

“The Directors invite the proprietors to determine whether or not they will amalgamate this Company with the Northern under the provisions and within the

limitations embodied in the Act, and should this question be determined in the affirmative, then the Directors will submit the agreement prepared in concert between the authorities of both Companies, and which agreement they recommend for adoption.

“On a careful examination and abstract of the accounts of the undertaking, made to the 3rd instant, on behalf of both Companies, it appears that effect can be given to the Act within the limitation prescribed, and that, accordingly, should the agreement be approved, the property will pass as a completed work with a capital account of \$1,425,139.14 or at the rate of \$19,798.59 per mile, free of every debt and liability, and including the recognition of the paid-up cash capital of this Company within the limitations of the Act.”

“All of which is respectfully submitted.

(Signed) “FRANK SMITH,
 (Signed) “JNO. D. FOREMAN, “President.
 “Secretary.

“Moved by N. Barnhart, Esq., seconded by John Turner, Esq., That the Report be received.—Carried unanimously.”

On the consideration of the provisions of Act 38, Cap. 65, in relation to the amalgamation of this Company with the Northern Railway Company of Canada, and regard being had to the limitations therein contained,

“Moved by N. Barnhart, Esq., seconded by H. L. Hime, Esq., That the Company do amalgamate under the said Act and subject to its provisions, and that the price or sum at which amalgamation shall be effected shall not exceed the equivalent of £4,109 (say \$20,000) per mile on the 72 miles of completed Railway.—Carried unanimously.”

Certified to be a true and correct extract from the Minutes of the meeting.

(Signed) JNO. D. FOREMAN,
 Accountant.

AN.

TORONTO, SIMCOE AND MUSKOKA JUNCTION RAILWAY.

Abstract of Preliminary Expenses from 2nd November, 1869, to 3rd December, 1870:—

	\$	c.
1. General Management, including salaries of officers, rent, fuel, furniture, postage, telegraphs, &c.....	2,307	86
2. Parliamentary expenses.....	3,063	33
3. Legal expenses.....	1,769	06
4. Original Survey of Exploration.....	2,427	86
5. Survey of Location and Engineering expenses.....	5,166	61
6. Bonus expenses.....	9,113	90
7. Printing and advertising.....	2,005	74
8. Stationery.....	374	63
9. Travelling expenses.....	2,574	64
10. Real Estate purchase.....	446	30
	\$29,249	93

The above is a correct copy of the "Abstract of Preliminary Expenses" of the Toronto, Simcoe and Muskoka Junction Railway, as shown in the Preliminary Expense Book of that Railway.

(Signed)

FRED. CUMBERLAND.

JNO. D. FOREMAN,

N. R. C. Accountant.

AO.

(No. 967.)

TORONTO, 3rd July, 1871.

\$1,000.00

Three months after date The Northern Railway Company of Canada by their Seal, promise to pay to the order of Angus Morrison, Esq., at the Company's Office here, one thousand dollars, value received.

F. W. CUMBERLAND, [L.S.]

Managing Director.

J. M. Ent'd. THOS. HAMILTON,
Secretary.

(Endorsed) A. MORRISON.

MINUTES OF PROCEEDINGS

OF THE

SELECT COMMITTEE

ON THE

NORTHERN AND NORTHERN EXTENSION RAILWAYS.

COMMITTEE ROOM, No. 6,
12th March, 1877.

Committee met to organize.

PRESENT :

Messieurs Archibald,
Killam,
Guthrie,
DeVeber,

Messieurs Bowell,
McCarthy,
Casgrain, and
Palmer.

It was moved by Mr. DeVeber and seconded by Mr. Killam, that Mr. Archibald take the Chair.—Carried.

With permission of the Committee, Mr. Thomson, President of the Northern Railway Company made a statement of the financial affairs of the Company, and Mr. F. W. Cumberland, General Manager of the said Company, made a statement similar to that of Mr. Thomson.

Moved by Mr. Guthrie, seconded by Mr. DeVeber, and carried,

That Frederick W. Cumberland, Esq., General Manager of the Northern Railway Company of Canada, be summoned to appear as a witness before the Committee on Friday, the 16th day of March, 1877, at 10 o'clock a.m., in Committee Room No. 6, Parliament Buildings, and that he be summoned to produce before the Committee all books of account and minute books of the Northern Railway Company and Northern Extension Railway including stock books of the latter Railway, containing any entry or memorandum touching any of the matters referred to in the Report of the Royal Commission appointed "for investigating the books, accounts and vouchers of the Northern Railway Company of Canada, and the disbursements and expenditures of the said Company," and touching any matters of a similar character; and also all documents, papers and vouchers in any wise relating to or touching any of the matters aforesaid.

On motion of Mr. Palmer the Chairman was requested to ask the House for leave to engage the service of a short-hand writer, for the purpose of taking down the evidence which may be taken by the Committee.

On motion of Mr. Guthrie, the Committee adjourned until 10 o'clock a.m., tomorrow.

(Signed)

CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6.
13th March, 1877.

Committee met.

PRESENT:

Mr. ARCHIBALD, *Chairman*.

Messieurs

Casgrain,
Guthrie,
DeVeber,
Palmer,

Bertram,
Killam,
Bowell, and
McCarthy.

Moved by Mr. Guthrie, that the Chairman procure from the Auditor-General a statement shewing the state of the accounts between the Government and the Northern Railway Company—showing the several amounts advanced or paid to or for the Railway; dates of advance, and nature and position of securities taken; also showing arrears of interest from time to time; also shewing the present state of the account.—Carried.

On motion of Mr. McCarthy, the Committee, adjourned to meet at the call of the Chair.

(Signed)

CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
16th March, 1877.

Committee met.

PRESENT:

Mr. ARCHIBALD, *Chairman*.

Messieurs

Casgrain,
DeVeber,
Bertram,

Killam,
Bowell, and
Guthrie.

Mr. F. W. Cumberland, General Manager of the Northern Railway Company appeared in obedience to the summons of the Committee, and, being sworn, was examined, his evidence being taken down by a short-hand writer.

Moved by Mr. Guthrie, seconded by Mr. Bertram, that the Chairman be instructed to request the attendance of Sir John A. Macdonald and the Hon. J. B. Robinson, members of the House, before the Committee as witnesses, on Tuesday, the 20th day of March inst., at 10.30 o'clock a.m.: and further, that a report be made to the House that the Committee desire the attendance of the Hon. D. L. Macpherson, a member of the Senate, as a witness before them, in order that the usual steps may be taken by the House to apply to the Honourable The Senate to grant permission to Senator Macpherson to appear and be examined as a witness before this Committee, if he be willing.—Carried.

The statement called for on the 13th instant, showing the state of the account between the Government and the Northern Railway Company, was laid on the table, (marked A).

On motion of Mr. DeVeber, the Committee adjourned to meet at the call of the Chair.

(Signed)

CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
20th March, 1877.

Committee met.

PRESENT :

Mr. ARCHIBALD, *Chairman*.

Messieurs

Casgrain,
Guthrie,
DeVeber,
Bertram,

Killam,
Palmer,
McCarthy, and
Bowell.

Hon. D. L. Macpherson, Senator, appeared in answer to the request of the Committee, and, being sworn, was examined, his evidence being taken down by a shorthand writer.

Right Hon. Sir John A. Macdonald K.C.B., M.P., appeared in answer to the request of the Committee, and, being sworn, was examined, (his evidence being taken down by a shorthand writer.

Mr. F. W. Cumberland's evidence, given by him on the 16th inst., was read over to him.

Mr. Cumberland was recalled, and, being sworn, was further examined, (his evidence being taken down by a shorthand writer.) He submitted the following statements to the Committee, as requested on the 16th inst., which were filed, viz :— Northern Railway of Canada—Abstract of Revenue, Expenditure on New Works, Rolling Stock, &c., from 1863 to 1875, marked B. Northern Railway of Canada—Statement of Gross Earnings and Net Revenue, 1858 to 1876, Main Line and Extension, marked C. Northern Railway Company of Canada—Statement shewing Rolling Stock Equipment from years 1859 to 1876, marked D.

On motion of Mr. Bowell, the Committee adjourned until 10.30 o'clock a.m. to-morrow.

(Signed)

CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
21st March, 1877.

Committee met.

PRESENT :

Mr. ARCHIBALD, *Chairman*.

Messieurs

Casgrain,
Guthrie,
DeVeber,
Bertram,

McCarthy,
Bowell,
Palmer, and
Killam.

Mr. F. W. Cumberland was recalled and further examined, his evidence being taken down by a shorthand writer.

Mr. McCarthy requested Mr. Cumberland to prepare a memo. of matters, accounts or statements required of :—

1. When the Northern Railway Company amalgamated with the Northern Extension Railway Company, how much was allowed for the Northern Extension Company in the amalgamation; and by the arrangement that was made, what is the position of the Government lien, and the Stockholders ?

2. The cost of construction of the Northern Extension Railway; how much was subscribed by stockholders; how much was given by municipal bonuses; how much by Government grant ?

3. The floating debt of the Northern Extension Company (if any) assumed by the Northern Railway Company?

4. The floating debt of the Northern Railway Company at the time of the amalgamation, and at the present time?

On motion of Mr. Bowell, the Committee adjourned until 10.30 a.m. to-morrow.

(Signed)

CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
22nd March, 1877.

Committee met.

PRESENT:

Mr. ARCHIBALD, *Chairman.*

Messieurs

Casgrain,
Guthrie,
DeVeber,
Bertram,

Killam,
Bowell,
McCarthy and
Palmer.

Mr. F. W. Cumberland was recalled and further examined (his evidence being taken down by a shorthand writer). He submitted the following statements of account to the Committee, as requested on the 21st instant, which were filed, viz.:— Hon. J. B. Robinson, President, marked E; New Works and Rolling Stock Capital Account, marked F; Suspense Account, "New Works and Rolling Stock," marked G; Suspense Account, New Locomotive Engines, marked H; Suspense Account, New Freight and other Cars, marked I; Suspense Account, "New Wharves," marked J; F. W. Cumberland, marked K; C. W. Moberley, Engineer, marked L; Suspense Account, "New Capital Act of 1868," marked M; Sundry Accounts, marked N.

On motion of Mr. Palmer, the Committee adjourned until 10.30 o'clock a.m. to-morrow.

(Signed)

CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
23rd March, 1877

Committee met.

PRESENT:

Mr. ARCHIBALD, *Chairman.*

Messieurs

Bertram,
Guthrie,
McCarthy,
Bowell,

Casgrain,
Palmer,
DeVeber and
Killam.

Mr. F. W. Cumberland was recalled and further examined (his evidence being being taken down by a shorthand writer). He submitted to the Committee, Form 176, Northern Railway of Canada, being a form showing the heads under which the expenditure for each month is classified, marked O.

On motion of Mr. Palmer, the Committee adjourned until 10.30 o'clock a.m. to-morrow.

(Signed)

CYRIL ARCHIBALD,
Chairman.

Committee met :—

COMMITTEE ROOM No. 6,
24th March, 1877.

PRESENT :

Mr. ARCHIBALD, *Chairman.*

Messieurs

Casgrain,
Bertram,
DeVeber,
Killam,Guthrie,
McCarthy,
Palmer and
Bowell.

Mr. F. W. Cumberland was recalled and submitted the following statements, which were filed, viz:—

Printing and advertising, current account, amounts paid to *Globe* and *Mail* Printing Companies, from year 1867 to 1877, marked P; position of Mr. Cumberland's account at the time of giving note, \$2,181.29, June 30th, 1869, marked Q; Northern Railway of Canada Extension Lines, showing. 1. Cost of construction. 2. Rate of amalgamation or purchase. 3. Public grants. 4. Capital account of extensions as taken over under deed of amalgamation. 5. Floating debt at amalgamation. 6. Cost of works of completion, and showing list of stockholders of Extension Company at amalgamation, 3rd June, 1875, marked R.

He also submitted the following drafts, referred to in yesterday's evidence, which were filed, viz :—

Draft for \$1,000, dated 13th March, 1873, marked S.

Draft for \$750, dated 17th April, 1873, marked T.

Draft for \$2,000, dated 23rd May, 1873, marked U.

The evidence given by Mr. Cumberland on the 20th, 21st, a part of the 22nd, and the whole of the 23rd instant, was read over to him and corrected.

Ledger 7, July 1st, 1874, to date; cash book 13, April 15th, 1876, to date; journal 9, July, 1874, to date.

Moved by Mr. Guthrie, that the President be permitted to take away the above mentioned books, to be returned when required by the Committee.

On motion of Mr. Guthrie, it was resolved that Mr. Cumberland's examination be continued on Tuesday next.

On motion of Mr. McCarthy, the Committee adjourned until 10.30 o'clock, a.m., on Tuesday next.

(Signed)

CYRIL ARCHIBALD,
Chairman.

Committee met.

COMMITTEE ROOM No. 6,
27th March, 1877.

PRESENT :

Mr. ARCHIBALD, *Chairman.*

Messieurs

Casgrain,
Killam,
Bertram,
DeVeber,Palmer,
Bowell, and
Guthrie.

Mr. F. W. Cumberland was also in attendance, and the remainder of the evidence given by him on the 22nd instant was read over to him and corrected.

Mr. Cumberland was re-called and further examined, his evidence being taken down by a shorthand writer.

On motion of Mr. Bertram the Committee adjourned until 10 o'clock a.m. to-morrow.

(Signed)

CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM, No. 6,
28th March, 1877.

Committee met.

PRESENT:

Mr. ARCHIBALD, *Chairman.*

Messieurs

Casgrain,
Guthrie,
Bertram,
Killam.

Bowell,
DeVeber, and
McCarthy.

The Committee made an examination of the books of the Northern Railway Company, in which they were assisted by Mr. Foreman, the book-keeper of the Company.

On motion of Mr. Bertram, the Committee adjourned until 10 o'clock a.m. to-morrow.

(Signed) CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
29th March, 1877.

Committee met.

PRESENT:

Mr. ARCHIBALD, *Chairman.*

Messieurs

Guthrie,
Bertram,
Bowell,
McCarthy,

DeVeber,
Killam, and
Palmer.

Mr. F. W. Cumberland was also in attendance, and the evidence given by him on the 27th inst. was read over to him and corrected.

Mr. Cumberland was then recalled and further examined (his evidence being taken down by a shorthand writer.)

On motion of Mr. McCarthy, the Committee adjourned until Tuesday next, at 10.30 o'clock, a.m.

(Signed) CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
3rd April, 1877.

Committee met.

PRESENT:

Mr. ARCHIBALD, *Chairman.*

Messieurs

Casgrain,
Guthrie,
DeVeber,
Bertram,

Killam,
Palmer,
McCarthy and
Bowell.

Mr. F. W. Cumberland was also in attendance, and the evidence given by him on the 29th March was read over to him and corrected.

Mr. Cumberland was then re-called and further examined (his evidence being taken down by a shorthand writer.) He submitted the following statements to the Committee, which were filed, viz.: Northern Railway Co. Return—Re Advances to Extensions Company at date of Lease and date of Amalgamation respectively, marked V. Northern Railway Co. Return—Re Lake Couchiching Hotel Co. Account marked W. He also produced two drafts drawn by Sir John A. Macdonald on F. W. Cumberland, in November, 1869, for \$500 each, and a draft drawn by A. Morrison on F. W. Cumberland in June, 1869, for \$400, of which exhibits X, Y and Z are true copies. (Exhibits filed.)

The Committee made a further examination of the books of the Northern Railway, in which they were assisted by Mr. Foreman, the book-keeper of the Company.

On motion of Mr. Bertram, the Committee adjourned until to-morrow at 10 o'clock, a.m.

(Signed) CYRIL ARCHIBALD,
Chairman.

Committee met.

COMMITTEE ROOM, No. 6,
4th April, 1877.

PRESENT :

Mr. ARCHIBALD, *Chairman.*

Messieurs

Casgrain,
Guthrie,
Bertram,
Killam,

McCarthy,
Palmer,
Bowell, and
DeVeber.

The Committee continued their examination of the books of the Company, in which they were assisted by Mr. Foreman.

On motion of Mr. Bertram, the Committee adjourned until to-morrow at 10 o'clock, a.m.

(Signed) CYRIL ARCHIBALD,
Chairman.

Committee met.

COMMITTEE ROOM, No. 6,
5th April, 1877.

PRESENT :

Mr. ARCHIBALD, *Chairman.*

Messieurs

Guthrie,
Bertram,
Killam,
Casgrain,

McCarthy,
Palmer,
Bowell, and
DeVeber.

Mr. F. W. Cumberland was also in attendance, and the evidence given by him on the 3rd inst. was read over to him and corrected.

Mr. Cumberland was then re-called and further examined (his evidence being taken down by a shorthand writer.) Mr. McCarthy requested Mr. Cumberland to prepare a memorandum showing the list of stockholders of the Lake Couchiching Hotel Company; the amount of stock subscribed respectively, and the amount paid; the amount received from the insurance companies and how that was appropriated.

On motion of Mr. Guthrie, the Committee adjourned until to-morrow at 10 o'clock, a.m.

(Signed) CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM, No. 6,
6th April, 1877.

Committee met.

PRESENT :

Mr. ARCHIBALD, *Chairman*.

Messieurs

Casgrain,
Guthrie,
Bertram,
Killam,

DeVeber,
Bowell,
McCarthy, and
Palmer.

Mr. F. W. Cumberland was also in attendance, and, being recalled, was further examined (his evidence being taken down by a shorthand writer). He submitted to the Committee the following statement, which was filed, viz. :—Return—*re* Mail Stock Account, Payments on Mr. Cumberland's stock and Payments on Mr. Morrison's, Stock, marked AA.

Moved by Mr. Bowell, that Mr. E. Miall be summoned to appear before the Committee, to give evidence in reference to the state of the books, etc., of the Northern Railway.

Moved by Mr. Guthrie, that the Chairman request Sir John Macdonald and Hon. J. B. Robinson to attend before the Committee to give evidence on Monday next.

On motion of Mr. Bertram, the Committee adjourned until to-morrow at 10 o'clock, a.m.

(Signed)

CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
7th April, 1877.

Committee met.

PRESENT :

Mr. ARCHIBALD, *Chairman*.

Messieurs

Bertram,
DeVeber,
Casgrain,
Guthrie,

McCarthy,
Killam,
Bowell and
Palmer.

Mr. F. W. Cumberland was also in attendance, and, being re-called, was further examined (his evidence being taken down by a shorthand writer). He submitted the following statements to the Committee, which were filed, viz. : Lake Couchiching Hotel Company, List of Shareholders, marked AB; Northern Railway Company, Return—*re* Shareholders Extension Company, marked AC; Memorandum of Salary and Commission, etc., of General Manager, from 1865 to 1877, marked AD.

Moved by Mr. Guthrie, that application be made to the House to ask permission from the Senate for leave for the Hon. Frank Smith, Senator, to attend and give evidence before the Committee, if he think fit.

Moved by Mr. Bertram, that the Printing Committee be requested to print the evidence taken before the Northern Railway Committee as soon as possible.

On motion of Mr. Guthrie, it was resolved, That C. J. Campbell, Angus Morrison, William Thomson, J. D. Edgar and Gordon Brown, be summoned to attend as witnesses before the Committee for Tuesday, at 10.30 o'clock, a.m.

On motion of Mr. Bertram the Committee adjourned until Monday next, at 10 o'clock, A. M.

(Signed)

CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
9th April, 1877.

Committee met.

PRESENT:

Mr. ARCHIBALD, *Chairman.*

Messieurs

Bowell,
Guthrie,
Bertram,
Palmer,

McCarthy,
Killam,
DeVeber and
Casgrain.

Rt. Hon. Sir John A. Macdonald, K.C.B., M.P., appeared in answer to the request of the Committee, and being sworn was examined (his evidence being taken down by a shorthand writer.)

Hon. John Beverly Robinson, M.P., appeared in answer to the request of the Committee, and being sworn, was examined (his evidence being taken down by a shorthand writer.)

On motion of Mr. Bowell the Committee adjourned until to-morrow at 10 o'clock, a.m.

(Signed)

CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
10th April, 1877.

Committee met.

PRESENT:

Mr. ARCHIBALD, *Chairman.*

Messieurs

Bertram,
Guthrie,
DeVeber,
Bowell,

Palmer,
Killam and
Casgrain.

Hon. Frank Smith, Senator, appeared in answer to the request of the Committee, and being sworn, was examined (his evidence being taken down by a shorthand writer.)

The following statement was submitted to the Committee from the Northern Railway Company, which was filed, viz.: Account of Angus Morrison, Esq., marked A.E.

Mr. Gordon Brown appeared in obedience to the summons of the Committee, and being sworn, was examined (his evidence being taken down by a shorthand writer.)

Mr. C. J. Campbell, of Toronto, appeared in obedience to the summons of the Committee, and being sworn was examined (his evidence being taken down by a shorthand writer.)

A letter was read from Mr. Angus Morrison, Toronto, to the effect that he was unable to be present before the Committee to-day, but would appear before them on Monday next. (Letter filed.)

On motion of Mr. Guthrie, the Committee adjourned until to-morrow at 10 o'clock, a.m.

(Signed)

CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
11th April, 1877.

Committee met.

PRESENT :

Mr. ARCHIBALD, *Chairman.*

Messieurs

Palmer,
Bertram,
Guthrie,

Bowell,
Killam and
DeVeber.

Mr. William Thomson, President of the Northern Railway Company, appeared in obedience to the summons of the Committee, and, being sworn, was examined (his evidence being taken down by a shorthand writer.)

Mr. J. D. Edgar, of Toronto, appeared in obedience to the summons of the Committee, and, being sworn, was examined (his evidence being taken down by a shorthand writer.)

Mr. E. Miall appeared in obedience to the summons of the Committee, and, being sworn, was examined (his evidence being taken down by a shorthand writer.)

The following statements were submitted to the Committee by the Northern Railway Company, which were filed, viz: Northern Extensions Railway of Canada—Statement of Accounts of J. D. Edgar and the Firms of which he was a partner with the Toronto, Simcoe and Muskoka Junction and the Northern Extension Railways, marked A.F.; and Northern Railway of Canada—Statement of Accounts of J. D. Edgar and the Firms of which he was a partner with the Northern Railway separating the disbursements from the services, marked A.G.

On motion of Mr. Bowell, the Committee adjourned until to-morrow at 10 o'clock, a.m.

(Signed) CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM, No. 6,
12th April, 1877.

Committee met.

PRESENT :

Mr. ARCHIBALD, *Chairman.*

Messieurs

Palmer,
Bertram,
Guthrie,
Killam,

Bowell,
Casgrain, and
DeVeber.

Moved by Mr. Guthrie that Mr. Barlow Cumberland be summoned as a witness

Mr. Barlow Cumberland appeared in obedience to the summons of the Committee, and being sworn was examined (his evidence being taken down by a shorthand writer.)

Hon. John Beverly Robinson, M.P., was also in attendance, and being re-called was further examined (his evidence being taken down by a shorthand-writer.) He produced a letter written to him by F. W. Cumberland, on 26th July, 1875, of which exhibit A.H. is a true copy.

Mr. F. W. Cumberland was also in attendance and being re-called was further examined (his evidence being taken down by a shorthand writer.)

Rt. Hon. Sir John A. Macdonald, K.C.B., M.P., appeared before the Committee, and at his own request, made a statement in regard to the evidence given by him on the 9th inst.

The Chairman read a letter he had received from Mr. William Thomson, President of the Northern Railway Company, in which he (Mr. T.) desired that the labours of the Committee would soon be concluded. (Letter filed.)

On motion of Mr. Bertram, the Committee adjourned until to-morrow at 10 o'clock, a.m.

(Signed) CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
13th April, 1877.

Committee met.

PRESENT :

Mr. ARCHIBALD, *Chairman.*

Messieurs

Guthrie,
DeVeber,
Bertram,
Palmer,

Killam,
Bowell, and
Casgrain.

Mr. F. W. Cumberland was also in attendance, and being recalled was further examined (his evidence being taken down by a short-hand writer.)

On motion of Mr. Bertram, the Committee adjourned until to-morrow at 10 o'clock, a.m.

(Signed) CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
14th April, 1877.

Committee met.

PRESENT :

Mr. ARCHIBALD, *Chairman.*

Messieurs

Casgrain,
Bertram,
McCarthy,

Bowell,
Killam, and
DeVeber.

Hon. D. L. Macpherson, Senator, was also in attendance, and the evidence given by him on the 20th March was read over and corrected, after which he signed it.

Hon. J. B. Robinson, M.P., was also in attendance, and the evidence given by him on the 9th and 12th inst., was read over and corrected, after which he signed it.

On motion of Mr. Bertram, the Committee adjourned until Monday next at 10:30 o'clock, a.m.

(Signed) CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
16th April, 1877.

Committee met.

PRESENT :

Mr. ARCHIBALD, *Chairman*.

Messieurs

Bertram,
Bowell,
Killam,

DeVeber,
Casgrain, and
McCarthy.

Mr. Angus Morrison, of Toronto, appeared in obedience to the summons of the Committee, and, being sworn, was examined (his evidence being taken down by a shorthand writer.)

Mr. T. C. Patteson, of Toronto, being in the Committee Room, was called by Mr. Bowell, and, being sworn, was examined (his evidence being taken down by a shorthand writer. He submitted to the Committee a transcript from the stock-ledger of the "Mail Printing and Publishing Company," showing the account of Angus Morrison, M. P., from 1872 to 1874, which was filed and marked AI.

Mr. E. Miall was also in attendance, and the evidence given by him on the 11th instant was read over and corrected, after which he signed it.

On motion of Mr. Bertram, the Committee adjourned until to-morrow at 10.30 o'clock, a.m.

(Signed) CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
17th April, 1877.

Committee met.

PRESENT :

Mr. ARCHIBALD, *Chairman*.

Messieurs

Bowell,
Casgrain,

Bertram and
Killam.

Mr. F. W. Cumberland was also in attendance, and that portion of his evidence not previously read was then read over and corrected, after which he signed it. He submitted to the Committee the following statements, which were filed, viz.:—Northern Extension Railways Company, Special General Meeting, Rossin House, Tuesday, 1st June, 1875, marked AJ; Northern Railway of Canada, Adjourned Special General Meeting, held at Toronto on Thursday, 3rd June, 1875, marked AK; Northern Extension Railways Company, Balance Sheet, 31st May, 1875, marked AL; No. 1, Northern Extension Railways Company, Memo. for Amalgamation 31st May, 1875, marked AM; and Toronto, Simcoe and Muskoka Junction Railway, Abstract of Preliminary Expenses from 2nd November, 1869, to 3rd December, 1870, marked AN. He also produced a note made by the Northern Railway Company, and payable to Angus Morrison, dated 3rd July, 1871, of which Exhibit AO is a true copy.

Mr. Angus Morrison was also in attendance, and, being re-called, was further examined. His evidence, given on the 16th instant, was read over and corrected.

On motion of Mr. Bertram, the Committee adjourned, to meet at the call of the Chair.

(Signed) CYRIL ARCHIBALD,
Chairman.

COMMITTEE ROOM No. 6,
20th April, 1877.

Committee met.

PRESENT :

Mr. ARCHIBALD, *Chairman.*

Messieurs

Bertram,
Killam,
Guthrie,

McCarthy,
Bowell, and
DeVeber.

The Chairman submitted a draft report, which was read,
And the question being put that the first paragraph be adopted,
Mr. Bowell moves in amendment,

That the words "to the Government" be struck out of the last line in paragraph one, and the following inserted in lieu thereof "in conformity with subsections one to nine, inclusive of clause 11, cap. 86, 31st Vic., as follows:—

1st. In the payment of working expenses of the said Railway.

2nd. In payment of the interest on the First Preference Bonds of the Company.

3rd. In payment of the interest on the Second Preference Bonds of the Company.

4th. In payment of the interest Class A, Third Preference Bonds, authorized to be issued under this Act.

5th. In payment of the interest on Class B, Third Preference Bonds, authorized to be issued under this Act.

6th. In payment of interest on the Government lien of four hundred and seventy-five thousand pounds sterling.

7th. In payment of interest on the arrears of interest due to the Government of the Dominion.

8th. In payment of the interest on the arrears of Interest Debentures (if any there be) which, not being given up and exchanged as herein provided, shall continue to rank as if this Act had not been passed.

9th. In dividends on the share capital of the Company.

On which the Committee divided, and the yeas and nays, being called for were taken down as follow:—

Yeas :

Messieurs

Bowell and

McCarthy.—2.

Nays :

Messieurs

Guthrie,

Bertram, and

Killam.—3.

The Chairman declared the amendment lost.

Mr. Bertram moves in amendment that all the words after "which" in the last part of paragraph one be struck out, and the following inserted "were applicable in payment of the Government claims," to which

Mr. Bowell moves in amendment to the amendment,

That all the words after "were" in said amendment be struck out, and the following inserted in lieu thereof: "should have been paid in liquidation of the debts of any claims against the Company."

And the question being put on the amendment to the amendment, the Committee divided, and the yeas and nays being called for, were taken down as follow:—

Yeas :

Messieurs

Bowell and

McCarthy.—2.

Nays :

Messieurs

Bertram, Guthrie, and Killam.—3.

The Chairman declared the amendment to the amendment lost.

Mr. Bertram's amendment was then put and carried on the following division :—

Yeas :

Messieurs

Bertram, Guthrie, and
Bowell, McCarthy.—4.

Nay :

Mr. Killam.—1.

The first paragraph, as amended, was then adopted on the following division :—

Yeas :

Messieurs

Bertram, Guthrie, and Killam.—3.

Nays :

Messieurs

Bowell, and McCarthy.—2.

On motion of Mr. Bertram, the Committee adjourned until 10 o'clock, a.m., to-morrow.

COMMITTEE ROOM No. 6,
21st April, 1877.

Committee met.

PRESENT :

Mr. ARCHIBALD, *Chairman.*

Messieurs

Killam, Guthrie, and
De Veber, Bowell.
Bertram,

The minutes of yesterday's proceedings were read and adopted.

The Committee proceeded to the further consideration of the Report, and paragraphs 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14 were adopted.

And the question being put that the Report be now adopted, the Committee divided, and the yeas and nays being called for, were taken down as follow :—

Yeas :

Messieurs

Bertram, Guthrie, and
De Veber, Killam.—4.

Nay :

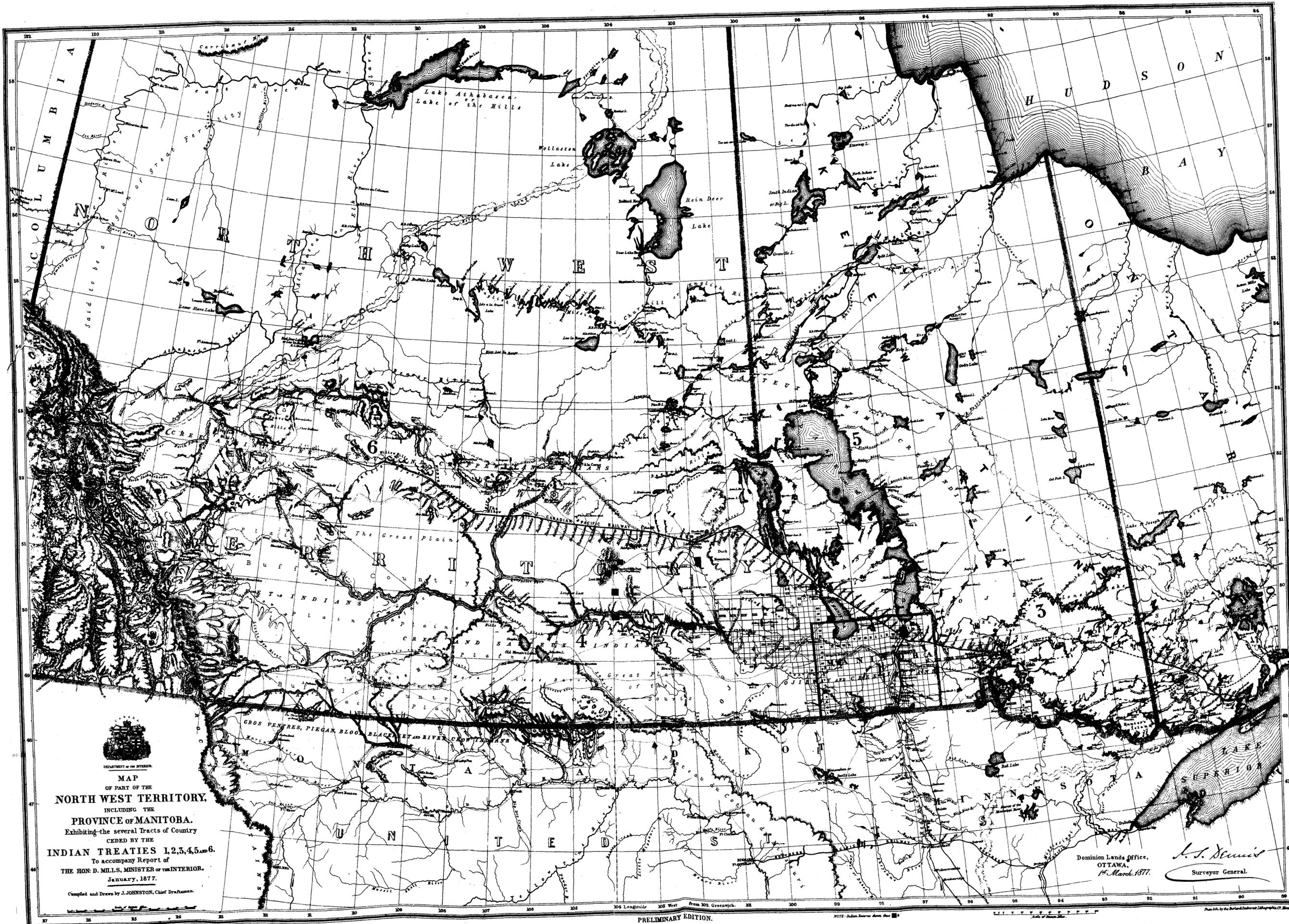
Mr. Bowell.—1.

On motion of Mr. Guthrie, it was resolved, that the minutes of the proceedings, and the exhibits or papers submitted to the Committee, be presented to the House with the Report.

(Signed) CYRIL ARCHIBALD,
Chairman.

Attest.

T. C. B. FRASER,
Clerk of Committee.




 DEPARTMENT OF THE INTERIOR
MAP
 OF PART OF THE
NORTH WEST TERRITORY,
 INCLUDING THE
PROVINCE OF MANITOBA.
 Exhibiting the several Tracts of Country
 CEDED BY THE
INDIAN TREATIES 1, 2, 3, 4, 5 and 6.
 To accompany Report of
THE HON. D. MILLS, MINISTER OF THE INTERIOR,
 January, 1877.
 Compiled and Drawn by J. JOHNSTON, Chief Draftsman.

Dominion Lands Office,
 OTTAWA,
 1st March, 1877.
A. S. Dennis
 Surveyor General.

REPORT

OF THE

SELECT STANDING COMMITTEE

ON

IMMIGRATION AND COLONIZATION.

Printed by Order of Parliament.



OTTAWA:
PRINTED BY MACLEAN ROGER & CO., WELLINGTON STREET,
1877.

REPORT.

The Select Standing Committee on Immigration and Colonization respectfully submit their First and Final Reports.

The Committee have examined the following witnesses:—

Mr. *Lowe*, the Secretary of the Department of Agriculture, on the Immigration and expenditure of the past year ;

Mr. *Lesage*, Assistant Commissioner of Public Works and Agriculture, for the Province of Quebec, respecting the capabilities of that Province for receiving Immigrants ;

Mr. *Spence*, Secretary of the Immigration Department, Toronto, on the same subject, with respect to Ontario ;

Mr. *Donaldson*, Dominion Immigration Agent, at Toronto, on the distribution and employment of Immigrants in Ontario.

Dr. *Christie*, M.P., on unoccupied lands ;

Mr. *J. Y. Shantz*, on the Mennonite Settlements in Manitoba ;

Mr. *Bannatyne*, M.P., respecting the North-West, and the late grasshopper visitation ;

Mr. *Hugh Sutherland*, of the Public Works Department, respecting the North-West and its communications ;

Mr. *Thos. Spence*, Clerk of the Legislative Assembly, Manitoba, respecting that Province and the North-West as a field for Immigration ;

Mr. *Hill*, of the Kittson Line, on the subject of transport and the resources of the North-West ;

Mr. *Fuller*, on the timber and other resources of the North-West ; and

Col. *Dennis*, Surveyor-General, respecting lands in Manitoba.

It appears from the evidence of Mr. *Lowe*, that there was in the year 1876, a considerable decline in the immigration to Canada, as compared with the previous year. The total number of immigrants from all sources reported to have settled in Canada in 1876, being 25,633, against 27,382 in 1875 ; 39,373 in 1874 ; and 56,050 in 1873 ; which appears to have been the year of the largest immigration known, to this continent, since the Irish exodus.

This continuous decline in immigration was not special to Canada, but extended to the whole continent. The United States had an immigration of 459,840 in 1873, which dwindled to 169,986 in 1876, and if the percentage of decline is compared it will be found that Canada has not been the greatest sufferer:—

Years.	Per Centage of decline to Canada.	Per Centage of decline to U. States.
1874	21.33	31.84
1875	30.20	27.07
1876	6.38	25.65

The total emigration from Great Britain to all parts, exhibited during the same years, a remarkable decline, as appears from the following figures :—

Years.	Emigration.	Per Centage of decline.
1873	310,612	.....
1874	241,014	22.40
1875	173,809	27.92
1876	138,222	20.47

It is a source of satisfaction that, while Canada has shared the depression, it has so well held its own on a comparison of figures.

The Australian Colonies proved to be an exception during the years named, as it appears from the Imperial Returns that the emigration to them shows increase. It was, in 1873, 23,854; in 1874, 52,065; in 1875, 33,417; and in 1876, 30,612; but this fact is owing to the very great exertions made by those Colonies to obtain immigrants, and their very large expenditure, out of all proportion greater than that of Canada, both in Agency and the payment of passage of immigrants.

The Committee find that the class of immigrants brought to this country by the exertions of the Department of Agriculture, were chiefly agricultural labourers and female domestic servants; mechanics and artizans not having any inducements held out to them to immigrate.

The agricultural labourers, and especially those with families, and the female domestic servants, were assisted to immigrate by the Dominion Passenger Warrants, and to some extent by Ontario bonus of \$6.00 given in further reduction to passage.

The agricultural labourers who came, appear, as a rule, to have done well, and to have found employment. There is very little doubt that Canada can furnish employment for large numbers of immigrants of this class. The suffering from want of employment has been among the artizans and labourers in cities, owing to the general depression in all commercial and industrial enterprise; but there is reason to believe that even in this respect, the cities of Canada have not suffered so severely as those of the United States.

It appears from Mr. Lowe's evidence that the Department of Agriculture has made special exertions to attract to this country the class of tenant farmers; and the time appears to be propitious, as well from causes in the United Kingdom depriving large numbers of their holdings, as the attention which is being attracted to Canada by the new and important trade in meat, which has somewhat suddenly sprung up.

It may be stated to be a demonstrated fact that meat can be carried, with profit, from Canada to the United Kingdom, and there kept for a considerable time, in a cold desiccated atmosphere, not only without deterioration, but with actual improvement. The quality of Canadian beef thus carried has been pronounced to be equal to Scotch prime, which is the highest standard.

These facts being established, it follows that the extent of the market must exceed the possible supply from Canada for years to come. But a profitable demand will undoubtedly lead to very greatly increased stock raising, and to the improvement of Canadian farms. The total number of horned cattle, as appears by the last census, in the four old Provinces of the Dominion, was a little over two millions and a half, and the number killed or sold a little over half a million. There has probably been a considerable increase in the numbers from the date of the census of 1871. It is, however, evident that any surplus which Canada could now afford is not sufficient to affect a market so vast as that of Great Britain, but an established trade and a steady profitable demand, may, in a few years, entirely alter the present position. This condition of things is highly favourable for attracting the immigration of a very desirable class of settlers.

As regards the special colonization which has been attempted in Manitoba, Mr. J. Y. Shantz, the Chairman of the Mennonite Committee of Ontario, who, to a great extent, has had practical charge of the new Mennonite Colonies, reports them to be in a satisfactory position. He gives the number of Mennonites who have settled in Manitoba at 6,700, which is somewhat in excess of the numbers given by the Department, the figures of the latter being 6,147. Mr. Shantz states that the Mennonites are satisfied with their condition and prospects. They find the land to be exceedingly rich, and their crops last year yielded abundantly. He describes them as thrifty and industrious, and stated they would, in a few years, be enabled to pay the last cent of the special loan voted by Parliament. Mr. Shantz further stated that there were yet thousands of Mennonites in Southern Russia who were anxious to join their brethren in Manitoba, but owing to the failure of the crops for two years in succession they were unable to emigrate. There are difficulties placed in the way of the disposal of their properties. There are a number of rich men among them, but these would not leave without their poorer brethren. The Mennonites in Manitoba are grouped together in bands of from 20 to 30 families in each, and each representing the nucleus of so many villages. The number of Mennonites who joined the colony last year was 1,357.

There was also during the year a special Icelandic immigration, with a view of establishing a colony in the territory of Keewatin, on the west shore of Lake Winnipeg. The number of Icelanders who immigrated in 1876, was 1,156, in addition to 268 who went to Gimli the previous fall. The success of this colony is at present not assured. It was visited during the winter with a very severe epidemic of small pox, causing a very large proportionate destruction of life, the deaths being 189 out of a population of 1,441. The deaths under 12 years were 136; over 12 years, 53.

A further special colonization, which has been made in Manitoba, consists of repatriated Canadians, principally of French origin. The number of 361 took up land during the year, and they are reported by the agents of the Department to have made a good start. They are satisfied with their condition and prospects. They are thrifty and well adapted for a colonization of this nature, and large numbers of them have written to their friends in the Eastern States to join them.

Mr. Donaldson, the Dominion Immigration Agent at Toronto, submitted a plan for colonization in the Free Grant Districts, which is worthy of consideration. He suggests the advisability of clearing a few acres and building a log house thereon at a cost of about \$200, thereby giving occupation during the winter to previous settlers; this improvement to be sold at cost price, but for cash only, to settlers who come in with some means, instead of giving it on credit, as in the case of the township of Ryerson. That township did fill up, but the subsequent instalments were not paid. Mr. Donaldson's plan, while it would assist the settler in a point of great importance to him, would not be open to the risk of loss from credit. The Committee is informed that many immigrants would avail themselves of such an advantage; and, as a question of immigration, they would respectfully submit it to the local authorities.

As regards the subject of immigration expenditure, the Committee find, after a careful examination of the figures and facts given in evidence by the Secretary of the Department, that it has not been excessive for the service. On the contrary, they find that it has been administered with a view to efficiency and economy. They find that the reductions contemplated by the re-organizing Order in Council of December, 1875, which was considered by the Committee during last Session have been made. And after careful examination, they think it is doubtful if further reductions can be made without impairing the efficiency of the service. The staff of paid agents now appears to be reduced to thirteen, viz: One stationary or chief agent in London, one at Liverpool, one at Glasgow, one at Dublin, one at Belfast, and one at Limerick, and four travelling or lecturing agents in Great Britain. This constitutes the whole staff in the United Kingdom. On the continent there is an agent at Paris, one at Hamburg, and one in Switzerland. There are in addition on the continent three unsalaried agents.

The total expenditure during the calendar year 1876 was \$252,013 against \$296,692 the previous year. It was further explained that the expenditure in 1876 contained an item of \$25,000 for the Dufferin Buildings, which were transferred from the Boundary Commissioners to the service of Immigration, for which they are found to be useful and necessary. There were also other special and not recurring items of expenditure. The fact of the reductions is established by the Government asking Parliament for a diminished vote for the service of Immigration to the extent of \$60,600.

The cost of the London office during the year was \$20,054, against \$48,538 the

previous year. In deduction of both these items the Governments of the Provinces pay an annual refund of \$9,500 for their special use of the London office; Ontario, Quebec and the Maritime Provinces having their own agents connected with it to further their special interests, and answer enquiries respecting them. The actual cost to the Dominion of the London office is therefore of modest proportions in view of the importance of the services rendered. In addition to being the chief immigration office of the Dominion, the London office now is an established place of call, not only for Canadians going to England, but for all persons, including members of Parliament, the press and capitalists, seeking for authentic information respecting the Dominion of Canada. Copies of all public documents of the Dominion and the several Provinces, maps, &c., are regularly kept on file there.

The total cost of agencies in 1876 was \$51,935, against \$61,450 the previous year, and the expenditure for passenger warrants, *per capita* commissions, and all publications was \$64,063 in 1876, against \$67,026 in 1875.

The *per capita* cost of immigrants since 1872, based on the number of immigrants reported by the agents to have settled in Canada, and the totals of all Dominion expenditure for immigration, both in Canada and out of it, but not including the amounts spent by the several Provinces from their own funds, was as follows:—

1872	\$ 5 51
1873.....	6 07
1874.....	6 37
1875.....	10 83
1876.....	9 83

Increases have arisen from two causes: first, the intense competition and very large expenditure to obtain immigrants by the Australian Colonies; and second, the cost of the necessary permanent establishments both in Canada and Great Britain and the Continent, being spread over a smaller number of immigrants.

The *per capita* cost of the special immigration of Mennonites and Icelanders in 1876 was \$28.51. If these figures and the item of the Dufferin Buildings were deducted from the expenses of 1876, it would leave the *per capita* cost \$6.48.

The information given by Mr. Lesage and Mr. Spence respecting the resources of the Provinces of Quebec and Ontario as fields for immigration was both interesting and important. It shows that in both of those Provinces there are very large areas of land still unoccupied, and great resources waiting to be developed by immigrants.

As respects the Province of Manitoba and the North-West Territory, in addition to the information obtained by the Committee last Session on the subject of the vast areas in those hitherto but little known regions, and their agricultural resources of almost unbounded extent, coupled with climatic conditions favourable to their settlement and development, still further and interesting information has been obtained, which is contained in the evidence appended to this Report, to which the attention of

Parliament and the public, and particularly the emigrating classes, may be, with profit, directed.

The limits of this report will not permit a recapitulation of the evidence; and it is not further necessary to dwell on the now demonstrated fact of the unsurpassed richness of the soil and the very large crops of cereals and roots it yields. The one question of drawback which has to be considered, and on which the Committee bestowed its special attention, is the scourge of grasshoppers, which has, at periods, but with long intervals between, visited those countries. All the witnesses concur in stating that the country is now free from it, and that there are no eggs laid. The people of the Province appear to believe that they have arrived at another of the immunities, which Senator Sutherland stated, in his evidence before the Committee last Session, that he had personally known to last for forty years. And, in fact, one of the witnesses, Mr. Bannatyne, M.P., stated that the people now do not even think of grasshoppers. But these did, last year, cause considerable destruction in parts of the State of Minnesota, and it is reported that numbers of their eggs were laid there. The question, therefore, is, whether, as the population becomes more numerous, it can successfully cope with the evil. On this point the evidence of Mr. Hill, of St. Pauls, is important. He described a special instance, that of Blue Earth County, in Minnesota. He informed the Committee that the grasshoppers visited that county in sufficient numbers to cause the total destruction of crops. In the emergency, a reward of a dollar a bushel was offered for the destruction of the insects, and the inhabitants set to work to catch them, with no better appliances than bags made of mosquito nets, stretched on hoops. The result was that 30,000 bushels, equivalent to ninety railway car loads, were destroyed in that county; and the crop that was saved by this exertion was valued by the Bureau of Agriculture, at Washington, at \$700,000. He added, the same exertion was not made in the neighbouring county, which is as populous, and naturally as rich, and the result there was an almost entire destruction of crop. Mr. Hill further informed the Committee that this experience had led to the invention of a machine made of wire netting, propelled by a horse pushing it before, of such efficiency that one man and one horse could clear fifteen acres per day with it. If these statements are accepted as established facts, and there appears to be no reason to doubt them, the grasshopper scourge can in future be dealt with by the energy of man.

The facts given in evidence by Mr. Hill, with respect to the cost of transportation, were also of an important character as regards the settlement of Manitoba and the North-West. He stated that wheat can now be brought from Winnipeg to Duluth for 24 cents per bushel; from Duluth to Sarnia for 6 cents; and from Sarnia to Toronto for 5 cents,—making in all 35 cents between the points of Winnipeg and Toronto. He added that these figures might be accepted as quotations of what may now be done, the tendency, as the supply increases, being towards reduction of rates. It follows from this fact, that, if wheat can be grown with the abundance which all

witnesses concur in alleging, on the prolific soil of the North-West, it will cease to be profitable to grow it in Ontario, with the difference of price of only 35 cents per bushel between the points of Winnipeg and Toronto. The quality of the wheat, too, grown in the Northern Country has an established superiority. Mr. Hill refers to the quotations of the flour made from Minnesota wheat as being much higher than those made from wheat grown in other parts of the Union, and says the millers of his State, being so sensible of the fact, take means to prevent the exportation of Minnesota wheat to the Eastern States. Vast milling establishments have been put in operation to manufacture it in Minnesota, and to produce the higher priced flour.

The Committee may point out that this probable opening of large wheat supplies from the North-West of the Dominion, comes at the time that the establishing of the new meat trade between Canada and the Mother Country, seems to point to a more profitable occupation for the farmers in the older Provinces.

The immigration into the Province of Manitoba during the last year was between 3,500 and 4,000, in the face of the grasshopper scourge of the year previous. The immigration into that Province during the coming season is likely to be very large.

The Committee have ascertained that the fares for foreign immigrants, brought out by the Government, between Toronto and Winnipeg (immigrant class) is \$17, *viâ* Duluth; for emigrants from the old Provinces to Manitoba, holding orders of Government Agents, \$20, from Toronto to Winnipeg. The ordinary second class fare is \$23 between these last named points.

The evidence of Mr. Hill would go to establish that there is no kidnapping of Canadian immigrants at the point of Duluth, as he states that, with very slight exceptions, all the tickets issued to immigrants for Manitoba are taken up on the Red River. But it nevertheless appears important to have an Agent at Duluth to assist the immigrants to bond their effects at that point, and save them from any unnecessary, and in some cases, severe expenses.

The information given by Mr. Sutherland, in his evidence appended to this Report, respecting the interior communications of the North-West, is important. He shews that the available water communications are of vast extent.

And Mr. Fuller shows that there is an abundance of timber for all purposes for years to come. The growth of trees appears to be very rapid. Mr. Hill stated one specific fact, viz. :—That he planted an elm twenty-one years ago, and that it is now twenty-four inches in diameter.

Your Committee would deprecate the shutting up from actual settlement of large tracts of land in the North-West for the benefit of Companies or other considerations, especially for the purposes of speculation. Their opinion is, that the true policy is to facilitate as far as possible the operations of the actual settler, who, by his industry, becomes a producer, and thereby adds to the general wealth, and also, by earning means for increased consumption of dutiable articles, adds to the revenue

of the country, and thus enables it to pay for the opening up of still further means of communication, extending the field for settlement for industrious millions from all parts of the world. The Committee consider that in this view, the proper facilitating of immigration is one of the most important of all public questions for Canada; and that the value of the result is out of all proportion greater than the cost of a judicious and efficient service. Mr. Young, of the Bureau of Statistics at Washington, estimates the value of every immigrant to be \$800, and Mr. Kapp, one of the New York Emigration Commissioners, who has given much attention to the subject, states the average value of each immigrant to be \$1,125. The value of an immigrant who is thrifty and industrious, as a unit in building up a civilized community, in the now waste and vast areas of our North-West, or on the undeveloped lands of the older Provinces, cannot be defined or described, but it is absolutely and undoubtedly very great. It may be pointed out that the class of immigrants required by Canada, at the present time, is confined to those who are able and willing to work, principally on land, or those who have means. The class of professional men, or of men only fitted for special pursuits, should not be advised to come to Canada to seek employment, as they would probably meet with bitter disappointment. Men of loose habits or those unwilling to work, should also be dissuaded from coming.

Your Committee thought it advisable to prepare a series of questions respecting the unsettled lands and Free Grant Districts in Quebec and Ontario, with a view to elicit information to correct some erroneous impressions which they had reason to believe prevailed. These questions were sent to Crown Lands Agents, Wardens, Reeves, Presidents of Agricultural Societies and old Settlers, in the Provinces of Quebec and Ontario. The Committee also forwarded some of these questions to Manitoba and Prince Edward Island, leaving British Columbia and the Maritime Provinces of Nova Scotia and New Brunswick for the subject of a future enquiry. One hundred and seventy-five replies have been received containing facts of great importance to intending immigrants. These have been carefully classified and appended to the Report of Your Committee.

The Committee have also appended to their Report a letter from Mr. Phipps, Indian Land Agent and visiting Superintendent of Manitoulin Island. This letter gives a description of the nature of the soil, climate, crops and the advantages offered by that Island to settlers.

From the Algoma District the Committee have received letters from the President and Secretary of the Agricultural Society, descriptive of that District and explaining the terms of settlement within it. Also giving a description of the mineral resources. These letters are appended to the Report.

A letter addressed to Mr. Cimon, M.P., from the Rev. Father Racine, has been submitted to the Committee and is appended to the Report, herewith. This letter gives a most interesting description of what is called "the kingdom of the Saguenay;" and also contains some extracts from the Report of Hon. Mr. De Boucherville, the

Premier and Commissioner of Public Works, for the Province of Quebec, giving information of much value, respecting the adaptability and successful settlement of the lands bordering on Lake St. John and the Upper Saguenay Districts.

Letters from Messrs. John F. Day and John Bowker are herewith appended, together with a Report prepared by a Select Committee of the County Council of Hastings, relative to the advantages to settlers offered by that county.

On the subject of the mines and mineral operations on the shores of Lake Superior, some interesting information was furnished to the Committee by Mr. Henry Pilgrim, of Sault St. Marie, a copy of which is appended to this Report.

Col. Fennis, Surveyor General, gave your Committee some valuable information respecting the Province of Manitoba and the manner in which it has been set apart for settlement. His evidence shews the number of acres in that Province for School Road and Railway purposes, and also the number of acres belonging to the Hudson Bay Co., and the Half-Breed Reserve. It also contains information respecting the Scrip issued to the Mounted Police and Half-Breeds.

Your Committee cannot close their Report without acknowledging the valuable information and assistance received from Mr. Lowe, the Secretary of the Department of Agriculture.

JAMES TROW,
Chairman.

COMMITTEE ROOM,
HOUSE OF COMMONS,
OTTAWA, 18th April, 1877.

MINUTES OF EVIDENCE.

FRIDAY, 2nd March, 1877.

MR. LOWE, SECRETARY OF THE DEPARTMENT OF AGRICULTURE.

OPERATIONS OF DEPARTMENT—IMMIGRATION TO CANADA—EXPENDITURE—THE MEAT TRADE.

Mr. JOHN LOWE, Secretary of the Department of Agriculture, appeared before the Committee.

By the Chairman :—

Q. Can you state to the Committee the immigration of 1876, defining the settlers in Canada from the passengers through it?—The total number of settlers in Canada in 1876, as reported by the agents of the Department, was 25,633, and the number of immigrant passengers for the Western States 10,916, making a total of 36,549.

Q. How do these figures compare with those of the previous year, and 1873 and 1874, stating the decline per cent.?—I can best answer this question by reading the following tabulated statement which I have prepared :—

		Decrease per cent.
1873.....	50,050 *	
1874.....	39,373	21·33 from 1873.
1875.....	27,382	30·20 from 1874.
1876.....	25,633	6·38 from 1875.

Q. Can you give the Committee the figures of the emigration from Great Britain during the same years, stating the increase or decrease per cent.?—The total emigration from Great Britain, including foreigners, in these years was :—

		Decrease per cent.
In 1873.....	310,612	
1874.....	241,014	22·40 from 1873.
1875.....	173,809	27·92 from 1874.
1876.....	138,222	20·47 from 1875.

Q. Can you inform the Committee what was the immigration to the United States in the same years, giving the increase and decrease per cent.?—The immigration into the United States was :—

		Decrease per cent.
In 1873.....	459,804	
1874.....	313,339	31·84 from 1873.
1875.....	228,498	27·07 from 1874.
1876.....	169,886	25·65 from 1875.

Q. Can you inform the Committee what are the causes of this decline?—The first serious check to the immigration to this continent commenced with the commercial and industrial crisis which broke out in the United States in 1873. Bad accounts, written in many thousands of letters, were sent home to the United Kingdom, from immigrants, and they produced such an effect that very few emigrants could be induced to go to America in 1874. Canada and the United States appear to be very much mixed up in the minds of large masses in the United Kingdom, the word "America" covering both. The consequence was that we should have had very few immigrants in 1874 had it not been for the special inducements held out to the class of agricultural labourers and their families by the Special Dominion £2 5s. Passenger Warrants and the Ontario bonus of \$6, which was allowed in further reduction of passage, the Agents of the Dominion working in connection with the Labourers' Trade Unions.

Q. Can you inform the Committee what class of immigrants came to this country last year?—The large majority of all the immigrants who came from the United Kingdom were agricultural labourers. Very few of the artisan or mechanic class came from beyond the sea. This class was, in fact, dissuaded from coming, in view of the depressed condition of industrial enterprise.

Q. Are there any grounds for a rumour that appears prevalent throughout the Province of Ontario that a large proportion of those out of employment are immigrants recently come to the country?—It may be stated, with positiveness, that all the agricultural labourers who came to this country found immediate employment, and two or three agents in the Province of Ontario have reported that the demand for this species of labour was not satisfied. The engagements in the western parts of Ontario have generally been made for the summer months at higher wages than engagements by the year, but there is work which labourers can find in the country in the winter, at lower wages than the exceptional summer rates. I may state generally, with confidence, that the immigrant agricultural labourers who have gone into the country and been willing to work, have done well. The distress which has existed has been among artisans, mechanics, and labourers in towns, in consequence, as I have stated, of the industrial and commercial depression. Very few immigrants of the mechanic class have immigrated to this country from Europe for the last three years, but I believe that large numbers have come in from the United States, where, I think, from the published accounts, the distress in towns has been much more severe than in Canada.

Q. Was there any attempt made to introduce the immigration of tenant farmers, as suggested by the Committee last year?—Yes; serious attempts have been made, and are still continued. There is reason to believe that changes in the mode of leasing in all the three kingdoms have thrown, and are throwing, very large numbers of tenant farmers out of their holdings, and it is thought this is a class of settlers very desirable to secure. Information has been diffused among them at the great cattle fairs, by means of special pamphlets on stock raising in Canada, which subject has excited great interest, especially in view of the now demonstrated fact that fresh meat may be taken from Canada and sold with profit in the markets of the United Kingdom, not only without deterioration but rather in an improved condition, by being carried in a cold desiccated atmosphere, and, after arrival, it may, by the same means, be kept for months in perfect condition. The butchers have, in fact, decided that Canadian meat thus carried and kept is equal to the best Scotch beef, which appears to be the highest standard. This fact being established, there is almost no limit to the amount of this trade from Canada, and it has led to interested inquiry respecting Canada by the tenant-farmer class; while, on the other hand, it has already seriously affected the cattle-raising interest throughout the whole of the United Kingdom, but especially in Ireland. Large preparations are made for carrying on this trade, and joint stock companies have been formed. The railways

are being fitted up with special receptacles for receiving the meat from shipboard, and special cars to carry it, while in London very extensive vaults have been prepared for the receiving and storage of this meat. The agents have taken pains to present these facts, and the advantages offered by Canada in relation to them, to the class of tenant-farmers. There is a question if America will not take the place which Ireland has occupied towards England for market supplies of meat. The Liverpool Agent of the Department, Mr. Dyke, who was the first to initiate this trade, points out that it may be profitably extended both to poultry and eggs, very large values of both being imported into England.

Q. What was the immigration expenditure of 1876?—The total expenditure for immigration in that year, including all establishments in Canada and Europe, was \$284,065.

Q. Do you include quarantine and public health in these figures?—No. The expenditure for these services in 1876 was \$25,473; but they are quite distinct from immigration, and, if there were no immigration, would be almost equally necessary. Such services are maintained in countries to which there is no immigration.

Q. Can you state how much was spent in passenger warrants and commissions, how much for agents, how much for the London office, and how much for special immigration, such as the Icelanders and Mennonites?—The figures were, in 1876:—

Passenger Warrants and Commissions.....	\$64,063
Agents' salaries and expenses in Europe	51,935
London Office	20,054
Mennonites	19,290
Icelanders	52,382

There was also a special extra item included in the total figures I gave, of \$25,000 for the Dufferin Buildings, taken over from the Boundary Commission and charged in the Immigration expenditure of the year. This was, of course, simply money transferred from one Government account to another, the expenditure having been previously incurred; but the buildings are useful, and, in fact, necessary for the largely increasing numbers of immigrants entering the Province of Manitoba at that point.

Q. How do these several expenses compare with former years, say since 1872?—The total expenses since 1872 were:—

1872	\$196,124
1873.....	304,000
1874	251,120
1875	296,692
1876	<u>252,013</u>

The Department did pay out in 1876, \$284,065; but it obtained refunds from the Ontario and Quebec Governments to the amount of \$32,052, making the net total expenditure \$252,013.

The years 1873 and 1874 in the above figures, include the \$70,000 paid to the Provinces in those years for promoting immigration. Such payments, although not administered by the Department, were made through it for the service of immigration; and by an arrangement at the Immigration Conference of 1874, to which the Governments of Quebec, Ontario, Nova Scotia and New Brunswick were parties, the Provinces withdrew their agents from the United Kingdom, leaving to the Dominion the entire duty of immigration propagandism.

The Passenger Warrants and Commissions during the same years were :—

1872	\$17,941
1873	53,286
1874	66,943
1875	67,026
1876	64,063

For European agents' salaries and expenses :—

1872	\$40,428
1873	70,487
1874	60,453
1875	61,450
1876	51,935

For London office :—

1872	\$9,439
1873	14,246
1874	21,682
1875	48,538
1876	20,054

The refunds for the Provinces amounting to \$9,500 are to be deducted from the last item of \$20,051, making a net cost \$10,554 for the London Office.

Q. Have the reductions as proposed by the Order in Council of December, 1875, for the reorganization of the London office, been effected, and what changes have taken place?—That Order in Council was put into effect at the beginning of the year and Mr. Jenkins, M.P., declining to take the simple title of Canadian Emigration Agent, with the rank of first class clerk in the Civil Service, as prescribed by that Order, and a reduced establishment, resigned; and the office was placed in charge of Mr. F. J. Dore, an officer of the Department of Agriculture. The reductions of expenditure proposed by that Order in Council have been made, but the expenditure of 1875 necessarily overlapped a portion of 1876.

Q. Please state the *per capita* cost of immigrants since 1872, year by year?—Taking the entire expenses of immigration in Europe and America, and including the cost of all permanent establishments, the *per capita* cost to the Dominion Government (not including the amounts paid by the Provinces) on the numbers of immigrants reported by the agents to have settled in Canada was—

In 1872.....	\$5 51
1873.....	6 07
1874.....	6 37
1875.....	10 83
1876.....	9 83

The *per capita* cost of the special immigration of Mennonites and Icelanders in 1876 was \$28.51.

If this special immigration and the item for the Dufferin Buildings were taken from the expenditure of 1876, it would leave the *per capita* cost \$6.48.

Q. Can you inform the Committee of the nature of the efforts and amount of expenses incurred to promote immigration by the United States or the Austrian Colonies?—The Government of the United States does not make direct propa-

by agents and pamphlets, although some of the publications of the Bureau of Statistics have been specially adapted and directed to promote immigration, and the Consular Agents are to a great extent Immigration agents. But the large Railway and Land Companies have made very active propagandism, maintaining expensive offices abroad, and issuing numerous publications in almost every form. These publications have fairly flooded the immigration market. Material aid has also been advanced to assist settlers to the lands, which are sold as high as \$5 an acre or more. A lien being taken on the land for security of the advances. The Northern Pacific Railway is now advertising free fares for immigrants and their effects to settle on its lands. As respects the efforts of the Australian Colonies, South Australia, with its limited population of about \$200,000, voted in 1875 for immigration \$500,000, employing 250 agents and giving material aid to immigrants. The Colony of New Zealand, with a white population of 391,856, has incurred a debt of £1,113,000 sterling, or in round numbers \$5,565,000, for the purpose of immigration, its efforts in this respect extending over the years I have referred to since 1872. It gives an aid of \$100 towards the passage and outfit of each immigrant, its agents having competed with ours at every step and in every place. In 1874 the emigration from the United Kingdom to New Zealand reached the total number of 36,019 souls. The extent and persistence of these rival efforts have been naturally an impediment to the success of the efforts made on behalf of Canada.

Q. Was there an inspection made of the children brought to this country by Miss Rye and Miss Macpherson, as suggested by the Committee on Immigration and Colonization, during the last Session of Parliament, in relation to Mr. Doyle's report?—Yes; such inspection was made under authority of an Order in Council, the Inspectors being experienced Immigration Agents of the Department, viz., Messrs. Donaldson, Wills and Macpherson for the Provinces of Ontario and Quebec, and Mr. Clay for the Maritime Provinces. It was considered that the experience of these agents would enable them to judge as to the position and condition of the children. They made a house-to-house visitation. The result of the inspection was, that with very little exception, they found the children well placed and doing well, with good prospects before them. The exceptions were not of an importance to affect this general statement, or the fact that this immigration has been on the whole beneficial to the children and of advantage to the country.

By Mr. Little :—

Q. Is it correct that the sum appropriated for immigration was partly expended in transporting immigrants from our country, and, if so, what was the amount thus expended, and the number of persons who left the Dominion, thus assisted, in 1876, and what foreign country were they forwarded to?—It is true that about 230 French immigrants were assisted to return from Montreal to France during the last fall, at an expense of something over \$5,000.

Q. How long had these immigrants been in the country, and for what reason were they assisted to be sent back?—The rule of the Department is that immigrants who have not been over one year in the country, are, in some measure, under the care of the Department; and if it has been found, after they have come to the country, that, from illness or bodily infirmity, they have been unable to get their living, they have been sent back, as the simplest and cheapest mode of dealing with them. All countries which receive large numbers of immigrants naturally adopt a rule of this nature; and I notice in the report of the New York Immigration Commissioners, very considerable sums for a service of this kind, even in prosperous years. The rule of one year's residence was not made an absolute one in the case of these French immigrants, but all those who were aided produced certificates of sickness and absolute incapacity to gain a living in Canada. The Department, therefore, dealt with the fact of the sickness and pauperism. A tendency to abuse, however

manifested itself, and the aid was stopped. The French Benevolent Society of Montreal assisted a considerable number of these people to go back.

By the Chairman :—

Q. Do you consider it advisable to encourage the immigration, during the coming season, of agricultural labourers and female domestic servants, and are you of opinion that immigrants of this class could readily find employment in the Provinces?—I have no doubt that as many, or, in fact, more, agricultural labourers than we shall be likely to obtain, would be able to find employment during the coming season. It is doubtful if we shall be able to obtain many of this class of immigrants without special aid. I may make the same remarks with respect to the female domestic servants, and, further, that wages for servants of a good class are now probably quite as high in the mother country as in the Dominion. They will not, therefore, come in any large numbers without some special inducement.

By Mr. Bain :—

Q. Has the attention of the agents of our Immigration Department been drawn to the necessity of reaching the tenant-farmers of Great Britain, and what means have been taken to reach them rather than the population of the great commercial centres?—I have already stated that special efforts have been made to reach the class of tenant-farmers, and the efforts of the agents have scarcely been at all directed to the populations of the commercial centres as such. The occasions of fairs in towns, have, however, been found very convenient to reach the class of farmers, and it is in fact difficult to get meetings of farmers except upon such opportunities. The efforts of the agents are mainly directed to reach this class, agricultural labourers and persons with small capital. The mechanic and artisan class is not only not now invited, but, during the depression, has been dissuaded from coming.

WEDNESDAY, 14th March, 1877.

MR. LESAGE'S, ASSISTANT COMMISSIONER OF AGRICULTURE, QUEBEC.

CAPABILITIES OF PROVINCE OF QUEBEC AS A FIELD FOR IMMIGRATION.

Mr. SIMEON LESAGE appeared before the Committee.

By the Chairman :—

Q. Will you state your name, residence, and official position?—Simeon Lesage, Assistant Commissioner of Agriculture and Public Works, Quebec.

Q. Can, in your opinion, the Province of Quebec absorb many immigrants, and if so of what class?—The Province of Quebec has room for a large number of immigrants, but I would not recommend any other class than agricultural immigrants who have means to settle on our wild lands. I think that the labouring class generally is not much wanted in the Province of Quebec, if at all; that is, the day labourer. With the exception of a few applications for female servants, I might say that we have hardly any applications from country districts for farm labourers; and, as a general rule, they do not seem to be well adapted for the particular kind of work that is going on on our farms—at least it takes a year or two before they can master their work and get fully posted as to what they have to do.

Does your Province present inducements for the immigration of men having no capital but their labour, but are content to remain mere labourers until they lay up sufficient capital to commence on their own account?—I would not go into that

very fully, but I know of many instances of immigrants coming out here without anything at all hardly, who have done remarkably well. I have remarked several instances of men coming out here with a good deal of capital who spent it in no time without any practical result, whereas men with a few dollars would go right into the bush and succeed remarkably well. We have an instance in the township of Suffolk of a Belgian colony. There are about twenty families altogether. They came out here in 1872, I believe. There are two or three families from France also with them. They had no money at all, but they were well provided with clothing. We had to provide a house to receive them when they arrived, and there were a few camps built also. We hired six men to help them in building up their log houses and making a small beginning of a clearance on each lot for every family, with the understanding that those who would not help our men would not partake in the benefit of the clearing and the building of the log house. They came early in April, and they were able to plant some potatoes and sow some barley and some wheat; and after they had put in their crop they went to work on the Grenville Canal and spent all the summer there, while their wives were finishing up the clearances, and in the fall they had a pretty good crop; and with the money they had earned during the summer they were able to go on working on their farms, clearing their lots, and in the spring of 1873 they had sufficient land cleared and ready for sowing to keep up their families. In two years they achieved that, and now these farmers are, I might say, as well to do as any of our old farmers. These people have such an idea of the importance of manuring land that they began manuring even as soon as they began clearing their lots. Each family bought a cow, and they used to go into the bush and gather dry leaves to put under their cows, and they would mix that up, and in the spring they would have heaps of manure. Of course there was no need for that, but they said they wanted a sufficiency of manure medicine to keep their lands in good health. Year after year one or two families have joined them, and I think it would not be over-estimating their number to say that there are now at least twenty-five families altogether in the township of Suffolk. In that case, and I believe in every case, while you will get agricultural settlers you must be prepared to give some assistance. There is no possibility in my opinion, of establishing European settlers without coming to their rescue.

By Mr. Jones (Leeds):—

Q. If they have no means?—I would not shut the door indiscriminately against those who have no means if they show good dispositions; I think there are some immigrants without means who are as good as if they had two or three hundred or even a thousand dollars.

By the Chairman:—

Q. What are the average monthly wages for farm labourers and female domestic servants, and what is the demand for persons of that class?—There is hardly any demand now for farm labourers. There is a great cry in the city for female servants. The average rate of wages for farm labourers is from eight to twelve dollars per month if hired by the year, and they will get as much as sixteen and sometimes twenty dollars for the spring work or for the harvest.

By Mr. Jones:—

Q. And found?—And board, of course. Board is included in both cases.

By the Chairman:—

Q. Can you inform the Committee of the extent of wild land suitable for settlement in the Province of Quebec?—The surveyed lands in the Province of Quebec ready to be settled upon—the number of acres in round numbers, I believe, is six millions.

By Mr. Cockburn :—

Q. You have plenty more to sub-divide?—I think we have nineteen millions more.

Q. Can you tell what proportion of that is suitable for settlement?—At least four-fifths.

Q. Eighty per cent.—as high as that?—Well, that is, perhaps, going too far, including rivers and lakes.

By Mr. White (Hastings):—

Q. About sixty per cent. of it?—Yes, at least. They have never surveyed where the land was absolutely unfit for settlement.

By Mr. Hagar :—

When they undertake to survey a block I suppose they take in a township?—Yes, sir.

By Mr. Jones :—

Q. I think it would be well for him to state, if he could, what description of land it is, whether it is for agricultural purposes—four-fifths of that—or for lumbering purposes?—Some of our surveyed lands are actually under licenses, and of course the license holders take good care to cut all the valuable timber they can cut; because if a lot is under location ticket during the year, they have no more right to cut timber on it at the expiration of the year. In May, I believe, of each year there is a renewal of all the licenses, and every lot which has been ticketed during the year is then taken off the license list.

By Mr. White (Renfrew) :—

Q. Is a large proportion of that land pine timber land?—I do not think there is much pine left in the districts surveyed into farm lots.

By Mr. White (Hastings) :—

Q. I understand the Government selected different districts and surveyed them for settlement, and that out of this five millions of acres you believe there is sixty per cent. fit for settlement?—Yes, sir. The pine timber has been more or less exhausted on all the watercourses. Wherever it was easy of access the lumbermen have taken good care not to leave much of it behind their shantymen; there is still a good deal of spruce on the lands that have not been disposed of but are surveyed, and the settlers have also kept on every lot a good provision of standing timber fit for building purposes that they are disposed to sell whenever a good opportunity offers; and I understand that, this year, in the Province of Quebec mostly all the lumbering operations are carried on on that principle.

By Mr. White (Renfrew) :—

Q. Do you mean in the whole Province of Quebec?—No, I mean on the lands surveyed for settlement. I am speaking chiefly of the St. Maurice and Saguenay districts and some parts of the eastern townships. Lumbermen did not think proper to risk as much money as usual in lumbering operations this year, so they have given contracts to the settlers for logs at so much per thousand feet.

Q. Do you consider it advantageous to the Province or to the country that settlement should be forced into those lumber districts?—Not at all. And measures have been adopted by the Quebec Government in order to protect lumbering interests against untimely interference of settlers. If, on the other hand, a settler has reason to complain of encroachments by lumbermen, he will find redress at the hands of Crown Lands Agents. We have not, as yet, conducted our wild land affairs as they should have been conducted. I think we do not take sufficient care of them, in fact, we have no system about them. If we attached half the importance that they do in Europe to timber lands, certainly we would take great care of them and see that the timber that is cut down in certain districts is replaced every year and that the standing timber is protected. Of late there has been a move in the right direction in Quebec, viz., extending the leases of timber limits to a period of twenty

years. Limit holders are thus interested in preserving the timber as long as they have to pay their ground-rent, and they conduct their operations pretty much in the same way as they would do on their own property.

By the Chairman:—

Q. Can you furnish the Committee with information respecting the country about Lake St. John and St. Maurice to give the Committee an idea of the importance of those respective districts for settlement on an extensive scale?—I could not furnish much information except of a general character about the St. Maurice territory, because my travels in St. Maurice district have been very limited; but I know the Lake St. John district very well. Since 1867, when I was appointed Assistant-Commissioner in the Public Works Department, I have had charge of the Colonization department, and I have found, after visiting the Saguenay and several other parts of the Province, that upon the whole the Saguenay district is the best settling district that we have by far. There are some inconveniences, but I believe that before long the Saguenay district will prove to be the best part of the Province of Quebec, if not of the Dominion of Canada.

By Mr. White (Renfrew):—

Q. Is not that a lumber district also?—Yes.

Q. But there is clearly defined agricultural land?—Well, there has been fine timber cut on the settling lands also. From the reports of the old settlers I understand that the best timber was to be found around Lake St. John.

Q. On the best land?—Yes. There you will find the elm as big nearly as you will find the pine trees.

Q. Then your policy would be first to allow the timber to be cut away?—To be cut away, and then call in the settler.

By Mr. Cockburn:—

Q. Is the land back of Lake St. John as good?—Yes, of good quality.

By Mr. Pouliot:—

Q. Is there any part of the Province that offers more advantages for settlers at present?—I speak of course of the soil in the Saguenay district when I say that that is the best part of the Province to settle in. Intrinsically it is the best part for agricultural purposes, but the means of communication is against it. We have several other districts where settlement is more easy; along the Intercolonial Railway, for instance, there are very large tracts of splendid land, such as in the county of Rimouski, the county of Temiscouata, and the county of Bonaventure. And I would mention Bonaventure especially, because the county of Bonaventure goes in behind Rimouski nearly as far as Temiscouata.

By Mr. White (Renfrew):—

Q. How is it with reference to the climate at Lake St. John—what is the length of the winter, I mean to say as compared with the summer?—I could not give an exact report as to the state of the thermometer at Lake St. John; but all reports go to show that the climate is much milder at Lake St. John and Chicoutimi than it is in Quebec. It would seem to me that it is more like that of Montreal than that of Quebec. Of course the Laurentian chain might be the cause of that; because as soon as you have passed the height of land you find at once a difference; there is not so much snow on the north side of the Laurentian as there is on the south side.

Q. I understand that; but my impresson was that although the snowfall was not so great the cold was more intense?—No, Sir, it is not the case. There spring generally begins at least two weeks and sometimes three weeks before we have it in Quebec.

Q. What is the distance from the nearest market at Lake St. John?—The nearest market for the Lake St. John settlers would be Chicoutimi.

Q. But that is a very limited market?—It is a very limited market. At the present time they have a surplus of wheat in the upper Saguenay district which they have to carry to Chicoutimi, a distance of sixty miles for those who are the nearest to Chicoutimi, and a distance of upwards of a hundred miles for those

at the upper settlements; and they only get one dollar a bushel for their wheat, and that the best wheat that can be found in both Canadas.

Q. And I suppose they can only travel over these roads in winter time?—No; the roads are good in summer as well as in winter from the upper end of Ha-Ha Bay to Lake St. John settlements, which is 105 miles. The road is turnpiked. It is gravelled in the worst parts and the rest is very easy to keep up. It was well made at first and the *habitants* take great care in keeping it up. But there is an intermediate space of land unfit for settlement along Kinogamic Lake, and for a distance of twenty four miles of rocky space we had to build a very expensive road there. There are two good parishes, one St. Alphonse and the other Le Grand Brulé, and then you come to that barren country; it is about thirty miles long and we have to keep up the road. We have a toll-gate there and they have to pay ten cents for every vehicle that passes; but they do not grumble at it. There are only a few settlers along the road. There is a patch of good land here and there, but not enough to make a settlement which would warrant the maintenance of the road. That is the only road that is maintained under orders from the Department; the rest are kept up by the municipalities themselves. I was saying that they have that distance to get over to get one dollar per bushel for the finest wheat that can be seen.

By Mr. Hagar :—

Q. I suppose that is altogether spring wheat?—Some farmers at the upper end of Lake St. John have tried fall wheat and they have done well. Mr. Price's farmer told me he thought fall wheat would do very well in the Upper Saguenay.

By Mr. White :—

Q. In the newer settlements, I suppose, where they are just clearing?—Yes.

Q. Where the land is protected?—Yes.

Q. Do you know what is the average number of bushels of wheat to the acre?—I could not exactly say, but I believe their average per bushel of seed is about fifteen; it is hardly lower than fifteen; very often it exceeds that. The depth of the clay in the Lake St. John region is something remarkable. Those who have only gone as far as Ha-ha Bay know nothing about the Saguenay region because of the rocky borders of the river and bay. Even if you go by the river to Chicoutimi you do not know what the country is. But if you take the land route from St. Alphonse to go to Chicoutimi, a distance of twelve miles, there you will find ravines and gullies I suppose 150 feet deep, and nothing but clay from top to bottom. Sir William Logan and Mr. Robinson, I believe, have explored the Saguenay region for the geological department; and they expressed their opinion that there is nowhere to be found such a depth of alluvial soil—of clay—and under this there is a *stratum* of limestone all over. In fact the bottom of Lake St. John is nothing but limestone, and on the western side there is nothing but limestone on the edges of the lake.

By Mr. White, (Renfrew) :—

Q. Does it crop up to the surface?—Some places it does.

By Mr. Cockburn :—

Does the Laurentian formation disappear in the east; is it a limestone formation there?—It is limestone; but you see granite cropping up there.

By the Chairman :—

Q. What colour is the clay?—It is bluish grey.

By Mr. White :—

Q. *Terre Grise*?—Yes, *Terre Grise*, and there is a fair admixture of sand which makes it friable, it is loamy. It is quite friable at every season of the year. The farmers there do not suffer from protracted droughts or protracted rains.

By Mr. Hagar :—

Q. It does not pack then?—Not at all; I have seen them ploughing with one horse, and sometimes a horse and an ox—that is all; of course they prefer using a pair of horses when they can afford it.

By the Chairman :—

Q. It cannot be very stiff clay then?—It is not stiff at all, it is like yellow loam.

By Mr. Hagar :—

Q. It is not necessary to plough in the fall to let the frost at it?—No; but they find it a great advantage to plough in the fall. Up to a year or two ago when the lumbering operations nearly stopped, they used to go in for lumbering. Nearly every farmer used to go and spend the winter in the Messrs. Price's establishments at the head of the rivers emptying into Lake St. John, and that caused many of them to neglect the work of their farms. But during the last couple of years the lumbering operations having diminished, they have had to stay to work on their farms; and I have found in one parish that last year alone the increase of cleared land under crop was 1,300 acres, and the party who was telling me that thought if it had not been that the lumbering operations had ceased, it would not have been more than one-fourth of that. The example of that parish has certainly been followed nearly all over the Saguenay. In the year 1870 there was a great fire extending from the head of Lake St. John to Ha-Ha Bay, a distance of upwards of a 100 miles. It occurred on the 19th of May; nearly all the crops were in at the time and they had to put in their crops again after the fire had passed—they had to begin over again. All the crops were destroyed, their houses were destroyed, and two-thirds of their cattle were destroyed by the fire. In the majority of the parishes there were but a few houses and barns left.

Q. Did the fire run on the cleared land?—Yes.

Q. There must have been a vegetable deposit on it then?—There was not a vegetable deposit, but the heat was so intense that whatever timber there was took fire and spread the heat on the soil and everything got into ashes. All that was fit to burn was burned out. It caught at the head of Lake St. John in a new settlement; it was a dry season and the fire was carried by strong wind from one end of the district to the other. The following figures, taken from the census of Canada, will show the importance of the Saguenay region :—

STATISTICS of the Lake St. John District, from the Census of Canada, and from Crown Lands Department Returns :—

COUNTY OF CHICOUTIMI.	1861.	1871.	Percentage of increase.
Population of County.....	10,478	17,493	67
“ “ two of the Townships on the Lake (Labarre and Roberval), as an illustration as to where the gain has been.....	544	5,644	938
Bushels of Wheat raised.....	10,912	136,099	1,147
“ “ Oats “	39,316	117,249	198
“ “ Barley “	39,922	71,210	78
“ “ Potatoes “	101,382	156,996	55
Tons of Hay.....	3,648	5,966	63
Pounds of Butter.....	61,777	148,106	140
Head of Live Stock.....	18,746	44,772	139
Acres of Land under cultivation.....	40,415	87,345	116

WHEAT raised in the County as compared with the best Agricultural Districts in the Eastern Townships and Ontario.

COUNTY.	DISTRICT.	Population. 1871.	Bushels of Wheat raised.	Per 1,000 of population.
Chicoutimi.....	Lake St. John.....	17,493	136,099	7,780
Compton	Eastern Townships	13,665	24,359	1,783
Stanstead	“ “	13,138	27,679	2,106
Huntingdon	“ “	16,304	40,683	2,495
Simcoe, (the greatest wheat growing County in Ontario).....		57,389	509,965	8,886
Muskoka, (the celebrated new district to which Ontario is directing her immigration, and into which she is building several lines of railway—one of them heavily subsidized by the City of Toronto).....		5,400	4,631	858

Those figures, however good they may look, are not a fair estimate of the yield in the Saguenay district.

By Mr. Cockburn:—

Q. Owing to the fire?—Yes; of course, their cattle having been destroyed, they have not yet been able to get over the deficiency.

By the Chairman:—

Q. It will throw them back a couple of years?—Yes, it did.

Q. What is the character of the intervening country between the settled portions of the country and the valley of the St. John?—It is very poor. There is a tract of land of near ninety miles in breadth between Quebec and Lake St. John—or rather, I might say, seventy miles—seventy miles at least that is not fit for settlement. It is Laurentian formation altogether. The timber on the highlands is not very good except for fuel. You will find in the valleys and along the watercourses some good plots of merchantable timber; but the bulk of the timber is more fit for firewood than for lumbering purposes.

Q. Will the obstructions you refer to prevent a continuous settlement?—No, Sir.

Q. Are there minerals in that intervening part?—Yes, sir.

Q. Of what description?—There is titanite ore, and they talk of marble. There has been a quarry of fine white marble discovered lately in the parish of St. Joachim, county of Montmorency. It is very easy of access; it is only a few acres from the St. Lawrence—only about twenty acres I believe. The quarry belongs to the gentlemen of the Seminary in Quebec, and there is some talk of them offering the Government of Quebec all the marble required for the building of their Public Departments for the price they will have to pay for the stone if they get it. I have met several men versed in mineralogy who have travelled all over that district, and, in general words, they have expressed their opinion that it is more valuable for its richness in minerals than perhaps the rest of the Province. As to that I cannot give any personal opinion.

By Mr. Cockburn:—

Q. Is it undeveloped yet?—Yes, it is undeveloped; and I might say in reference to this, that the Quebec Government is in treaty with a gentleman of very high attainments in France, a mineralogist—in the meantime a metallurgist—offering him a good position in Quebec in connection with the Crown Lands Department, to get him to lecture in Montreal and Quebec and wherever it would be found possible

during the winter, and spend the summer in exploring the unsurveyed parts of the Province, so as to come to a precise knowledge of the mineral wealth of the Province.

By the Chairman:—

Q. Is the valley of Lake St. John surrounded by a chain of lofty mountains?—Yes; it is to the north-east and to the north. The mountains to the north are not so high as they are to the north-east. We perceive that by the prevailing winds in that district. The north-easterly wind is altogether unknown in that part of the country.

Q. I suppose you account for the climate being so much milder in that district on account of the mountains surrounding it?—Yes, sir; because it is sheltered. There is a kind of depression of the soil all around Lake St. John.

Q. Something of a basin?—Yes.

Q. Could you give any estimate of the land fit for cultivation in that district?—I would not be very precise as to that; but the settlements that are now under cultivation are not very thickly populated. There is room for four times the population in the parishes that are settled now; and beyond the present settlements, there are available lands of fine quality for as many more. This I consider to be a moderate estimate of the importance of the Saguenay region.

Q. What amount of land does each head of a family generally have?—The average would be 100 acres; but it is a hobby with all of them to have as large amounts as they can get title for.

By Mr. Aylmer:—

Q. Is it not a difficulty that the wild lands are taken up and the settlement duties not performed?—Yes.

By Mr. Cockburn:—

Q. Can you cancel them if the settlement duties are not performed?—Yes; but you have no idea of the difficulty the Government has to cancel lots. You would have the members' friends—sometimes the member himself—coming and saying it should not be done.

By Mr. Little:—

Q. Did I understand from you that the lands for cancellation come under the Free Grant System?—No, sir; the price of these lands is twenty cents an acre only.

Q. Subject to settlement duties?—Yes, sir; I ought to have mentioned in the beginning when I said that agricultural settlers as a rule should not be asked to come here without the Provincial Governments or the Dominion Government being prepared to do something for them—to make preparation for them—that the Legislature of Quebec in the year 1875, passed a law to reserve a certain tract of land, wherever it would be found profitable to do so, to try the colony system, and we have tried it in the Eastern Townships.

By the Chairman:—

Q. Free grants?—They are not free grants; the land there is sold for sixty cents an acre; it is very good land; it is in fact the best part of the Province for settlement, on account of the facilities of communication.

Q. What part is that?—The county of Compton. In that county we have taken three townships, Ditton, Chesham and Emberton, and there we have invited European immigrants, Canadians returning from the States, and residents.

By Mr. Cockburn:—

Q. That is the county selected for the homes of the repatriated?—Yes; they would pay their location tickets before getting their lots; but the Government was bound to advance them a sum of \$140 dollars after they had cleared four acres of land ready for sowing and built a house 16 x 12, but well finished. They were allowed fifteen dollars an acre for their clearance and eighty dollars for their house, making altogether \$140; and they had to pay back to the Government the \$140 advanced them, and the sixty cents per acre for their lot of 100 acres which was sixty dollars, making altogether \$200. They have to disburse twelve dollars when they take their location ticket; they pay twelve dollars a year until they have paid up for the ground; and then they have five years more to reimburse the Government for the \$140 advanced.

By Mr. Jones:—

Q. That is they have ten years altogether?—Ten years; but they have to pay no interest on the money advanced.

By Mr. Hagar:—

Q. But there is interest on the land?—There is. That could not very well be taken off because it would make a difference with the rest of the settling lands.

By Mr. Little:—

Q. The price of the land is sixty cents an acre?—The price of the land is sixty cents in the Eastern Townships, and twenty cents in the Saguenay district.

The Committee adjourned.

THURSDAY, 15th March, 1877.

Mr. SIMÉON LESAGE again appeared before the Committee.

By the Chairman:—

Q. Are there any impassable barriers in crossing the Laurentian range of hills that obstruct settlement of the fertile lands beyond the height of land?—No. We are building a colonization road just now between Quebec and Lake St. John by the shortest line. It follows the valley of the Jacques Cartier River, and then the valley of the Chicoutimi River nearly all along, and there is a very good line for the road there. The road is partially opened. It is open sixty-five miles, and there remains about fifty five miles more which will be opened in the course of the next summer. It is 120 miles long altogether.

Q. Is navigation impeded up the Saguenay after you get to Chicoutimi?—Yes; there is no navigation after you reach Chicoutimi.

Q. It is impeded by waterfalls, I suppose?—There is a waterfall three or four miles above Chicoutimi, but the biggest ships can anchor at Ha Ha Bay, and even at high tide they can reach Chicoutimi.

Q. Are there any impediments experienced by European immigrants in settling the Province of Quebec?—There are some prejudices, I know, that are working against the Province of Quebec, but as far as I can make out, there is no real ground for them. Since I have had anything to do with immigration—since 1867—immigration has been uphill work with us all along, especially as regards the immigrants coming from the British Isles. They have an idea that the majority of the people of the Province of Quebec, being of French descent and living under the French laws, it is impossible for them to accommodate themselves to that Province; but those who have stayed amongst us have found, after a few years residence, that there are worse places than the Province of Quebec to live in.

By Mr. Cockburn:—

Q. The laws of the Province of Quebec are more like the laws of Scotland, if they only knew it?—Yes; when they come to understand our municipal system and the laws of the land they are well satisfied with them, because I do not think there can be found in the Dominion a set of laws as precise and as easy of access as the laws of the Province of Quebec; they are within the reach of everybody; it requires no great legal science to know what they are. We have a code of laws which is open to everyone, and which can be reached by every person by mere reading. Of course, with Protestants, there might be a feeling also, but there are several communities wholly Protestant, and we have many mixed communities, where there are Protestants and Catholics living together in perfect harmony. The greatest acrimony that is to be found is, I believe, among politicians. Sometimes at elections a national or a religious cry is raised for party purposes, but, as a rule, the inhabitants have nothing to suffer from the encroachments, either from Protestant authorities or from Catholic authorities. The majority is very liberal in all cases. As an instance of that I may cite our legislation on education; the management of the school system always belongs to the majority, whether it be Protestant or Catholic, and if the

minority are not satisfied they may apply for trustees, and the trustees have the management of their own schools; they are then called dissentient. But there are several counties where there are schools for different denominations, and where they have no separate management, they are satisfied with the general management. Each denomination has its share of the money, and they can have their school as they please. But that is one of the questions that is against us. Several times I have had applications from French-Canadian farmers for tenants. The French-Canadian farmers who have some lands to lease were very anxious to secure Scotch farmers, and several times I have applied through our agent, Mr. White, in Glasgow, to get farmers to go into the French parishes. Their objection was that they would have no opportunity to educate their children in their own language and in their own religion, where there was no Protestant school or church. The first question they used to put was: Was there a school or church? When the answer was in the negative, of course, there was no possibility of getting them. All such applications for farmers were from French-Canadians.

By the Chairman:—

Q. Do you know of any class of people now located in the thickly-settled portions of Ontario that contemplate emigrating to Quebec?—Yes; there was some talk three or four years ago of an association organized in the county of Bruce, and I believe some members of that association belonged to the county of Waterloo. They were of German origin.

Q. Any particular class of Germans; because they like to colonize in bodies?—Yes; that was their object. One of the causes of their trying to emigrate was that they could not get German schools. I believe that was one of their grievances, and they applied to the Government to know if they would be allowed to have German schools wherever they would settle. The reply was that there would be no objection.

Q. What part of the Province did they choose or calculate to settle in?—After inspecting the Eastern Townships they went down to the Metapedia Valley, on the Intercolonial, and there they found a splendid tract of land which they reported as being just what they wanted. There was a deputation of five or six, among them the editor of the *Glocke*. One of them bought, I believe, a couple of thousand acres of land from the late Mr. Meagher, the late member for Bonaventure. Their idea was to establish a village at the intersection of the Metapedia by the Intercolonial Railway.

Q. That is right from the Lake?—At Mill Stream, rather; but I believe they have given up the idea. Their organization consisted of tradesmen of different kinds. They wanted to establish manufactures on a small scale and supply the local market there—in New Brunswick and the Baie des Chaleurs. The people on the Baie des Chaleurs and in the upper part of New Brunswick have, I understand, to go pretty far to get articles of furniture, foundry articles, leather and agricultural implements. They wanted to supply all those. There was certainly a good bottom in their scheme, but eventually it was abandoned.

Q. They calculated to utilize the water-powers of the Metapedia River?—Yes; there is splendid water-power there.

Q. Could you furnish the Committee with any information relative to the adaptability of other wild lands in the Province of Quebec for settlement, and their market facilities?—We have the Ottawa Valley, which contains about a million of acres of wild land, surveyed and ready for settlement. The counties of Ottawa and Pontiac. The proportion of arable land in the Ottawa Valley is not so large as it is in other parts. It is a more broken country, but the valleys are splendid land. I have visited some of the settlements on the Gatineau and on the Ottawa proper, as far as Culbute, and then on the Lièvre and the Nation rivers.

Q. What proportion of that million acres would be fit for cultivation?—Certainly one-half. Beyond the surveyed parts I understand there are large tracts of finer country still. There seems to be a stretch of land between the head of the St. Maurice and the Gatineau of immense value. I would not speak positively about it; but I have heard reports and had a good deal of information from those who have

travelled and from surveyors who had surveyed the rivers for lumbering purposes, and they all agree in pronouncing it a very rich arable country.

Q. Do these barriers, the Laurentian range, run in that direction?—They run all through.

Q. And beyond that there is fertile land, a large portion of it?—Yes, there is a large fertile belt there. We have also in the Eastern Townships part of the lands of the British American Lands Company; and the Government owns some 300,000 acres there, but it is all scattered. Of course the Eastern Townships have been settled for many years; but there still remains very good land there. The best lands in the Eastern Townships are supposed to be the lands belonging to the British-American Land Company. They had, of course, the first choice, and they took very good care not to choose the worst.

By Mr. Bain :—

Q. They have to make a profit on the transaction, and, of course, they hold their lands at a higher figure?—Yes; they hold their lands at two, and sometimes four dollars an acre. However, it does not seem to be a well-paying affair.

By Mr. Perry :—

Q. There is not much population going in there?—All our immigrants settle there.

Q. How many acres are there usually in a farm?—One hundred acres; but every settler has a right to two hundred acres if he chooses. We have also one million and a half of acres in the lower St. Lawrence district, on the south shore, which, with the Gaspé region, five hundred thousand more, makes two millions. I am only speaking of surveyed lands. There is a trunk road at the rear of the Seignories, below Quebec. The Seignories occupy a space of from twelve to fifteen miles in depth. Behind the Seignories we have a range of highlands and mountains which are not fit for settlement. There is an intermediate space of from three to six miles, which is not fit for settlement. We had to cut roads for nearly every parish. Nearly every parish had a road so that their young men could go and settle on the Government lands. The valley comprised between the highlands and the southern boundary is traversed by a colonization road, starting from the township of Buckland, opposite Quebec, down to opposite Ste. Flavie, below Rimouski.

By the Chairman :—

Q. Are those Seignories cultivated much now?—Yes; those Seignories are mostly all under cultivation. Some of the land is very indifferent in these townships of the lower St. Lawrence. but the young men prefer settling there to going into other districts, because they are more or less supported by their families while they are in the vicinity, and they succeed in the course of time. We have five hundred thousand acres of land in Gaspé proper—the peninsula—and the rest together, up to Quebec, contains 1,500,000, making two millions altogether for the lower part of the Province. In the lower St. Lawrence district we have the Intercolonial going through a very fine country which is settling up rapidly.

By Mr. Borron :—

Q. Are the lands on the Intercolonial higher now in price on account of it?—Not yet; but I think they ought to be. The Ottawa district has tolerably good communication for vehicles, but, of course, the settlers in the upper part of the Gatineau, for instance, cannot take their produce to market.

By Mr. White (Hastings) :—

Q. They sell it to the lumbermen?—Yes; but I understand that of late years they have had some difficulty in disposing of it.

By the Chairman :—

Q. On account of the depression in the lumber trade?—Yes: they will have to turn to other industries, making cheese and butter. The communication in the Eastern Townships is unsurpassed.

Q. Both by rail and water?—No; not by water. In the lower St. Lawrence district they have the Grand Trunk as far as Rivière du Loup, and then the Intercolonial. Besides, they have the St. Lawrence, and very good colonization roads.

By Mr. White (Hastings) :—

Q. In going down the St. Lawrence I notice the houses are very thick, and there seemed to be line fencing along narrow strips; is that the ordinary size of a farm?—The ordinary width is three arpents; that is three acres, and the length ninety acres.

Q. Has the Government ever done anything to let those people have larger farms?—No; at the beginning of the colony it was found more convenient to have the settlers close to each other.

By the Chairman :—

Q. And within easy access to the water?—Yes; but chiefly so that they could help each other in case of danger. In the townships the lots are of the same size as in Ontario.

By Mr. White (Hastings) :—

Q. There is no way of getting those parties to change that system?—No; you see the roads and everything else are arranged to meet the requirements of such a division and it is impossible now to change it.

Q. There seemed to be four or five families under the same roof?—Oh, no. From Quebec to Montmorency Falls it is a regular village.

Q. Yes, but away down the St. Lawrence, away down to Kamouraska?—The average distance from one house to another is three acres.

By Mr. Hagar :—

Q. They divide the farm up between father and son sometimes?—Sometimes; but there is a tendency now to the enlargement of property.

By the Chairman :—

Q. Has the Government of Quebec adopted the policy of offering free grants of Crown lands, and what are the conditions of settlement?—We have offered free grants of one hundred acres each on our colonization roads, eight in number, but we have found that the people did not care more for the free lands than for those they had to pay for.

By Mr. Little :—

Q. Then I presume from what you say the land is of very inferior quality that is offered for free grants?—The free grants are offered in the newer settlements of course. Those who settle first on a new road have their lot for nothing. For instance, on the Taché road all the lands fronting on the road are free grants. They are not yet all occupied, though they have been offered as free grants for upwards of ten years.

By Mr. Borron :—

Q. What is the length of the Taché road?—209 miles.

Q. And what distance from the river generally?—[It is not more than eighteen miles.

Q. It is a great work then?—Yes; It has been opened by degrees year after year. It is not opened in its whole length yet. In some counties, there being no settlement, the road has not been opened. I believe that three-quarters of it only is opened. If you take the scheme as a whole, the idea was not a bad one, of having a regular trunk road parallel with the Grand Trunk.

By Mr. Pouliot :—

Q. But you cannot travel on it from Beauce down to Ste. Flavie?—It has been made as far as L'Islet, at one end, and from Ste. Flavie to St. Fabien at the other end. It is opened also in the counties of Kamouraska and Temiscouata, where several townships are rapidly settling. The free grant lands are as good as the others. It is not on account of their inferior quality that they are free but it is to encourage settlement in a particular direction—to induce others to buy Government lands.

By the Chairman :—

Q. Can you state what number of acres was disposed of during the year 1876, more particularly for colonization?—I could not give you an exact figure; I believe about 200,000 acres. We have remarked that settlement has increased this year a

little more than usual on account of the depression in business; and people have done more work in the settlements than they used to.

Q. The 100,000 acres is for colonization, I understand?—Yes, colonization.

Q. Not timber limits nor anything of that description?—Oh, no; there was very little done in the way of timber limits this year.

Q. What tracts of land are there which require the construction of railways for opening them up?—You have here the Ottawa Valley; that would require a railway to the head of the Gatineau.

Q. And do you require a railway to Lake St. John?—Yes, we require also a railway from Quebec to Lake St. John. The Colonization road which is being built just now, will, I believe, have the effect of opening the eyes of the people to the necessity of building that road, and if the building of the Colonization road had no other result than that, I consider it would be a result which was cheaply attained. Settlers in the Lake St. John Valley have to travel sixty miles from the lower end of the lake before they reach Chicoutimi, and then from Chicoutimi 165 miles more to come to Quebec, they would have 140 miles direct to Quebec by the new road. That is a clear saving of 85 miles by the new road when it is opened, and we expect to have it ready for travel by the end of next season. Camps provided with good stabling will be built along the road to accommodate the travellers, and the occupants of those camps will have charge of keeping the road in good order. A daily mail from Quebec to Lake St. John, on that new road, would help very much to facilitate traffic in winter, and I think the Postmaster-General should try it next winter. The Pile Railway, from Three Rivers up to Grandes Piles, will facilitate the communication in the St. Maurice District, and after you have reached the Piles you have a stretch of fine navigation for, I believe, sixty miles on the St. Maurice. There is to be a steamboat to ply in connection with the railway on the St. Maurice; so that with a railway to the Gatineau, and one from Quebec to Lake St. John, all the available lands in the Province would be within the reach of settlers. The North Shore Railway—the railway from Montreal to Deep River—will enhance the value of the Government lands in the County of Pontiac as well as in the County of Ottawa when it is completed; and then the branch to connect with the Pacific—wherever it goes—will also have the effect of putting a good deal more land in the market.

By Mr. Pouliot:—

Q. There is another road that ought to be mentioned?—Perhaps so; the New Brunswick and Rivière du Loup. There were good prospects at one time of that road being built; and of all the railway schemes started in the Province of Quebec, I know of none which started with better prospects. The Company had a grant of land in the southern part of the County of Temiscouata. The line was to pass through those lands and reach some point on the St. Lawrence; but for some reason or other the project has been abandoned and the grant of land made by the Quebec Legislature lapsed last year or the year before. I might mention that a gentleman from New Brunswick—he is the American Consul at St. Johns, I believe—called upon the Prime Minister some time ago and seemed to have an idea of reviving the old Company and making a connection with the St. Andrew and Woodstock Railway at Rivière du Loup, from Rivière du Loup to Edmondston. The proposed line of that railway would follow what was formerly the mail road between the Lower Provinces and the Province of Quebec; that was the Temiscouata road or Madawaska route.

By the Chairman:—

Q. Could you give the Committee any information respecting the mineral deposits in Quebec and the inducements they offer to settlers?—I could not speak very positively as to the mineral deposits; but it is very well known that there are very rich deposits of gold in the Chaudière district, in the County of Beauce, and also in the County of Compton. All reports agree that there are very rich deposits there. The only difficulty is to find the whereabouts of the best deposits. They have already spent a large sum of money in digging in Beauce and in Compton. The Hon. Mr. Pope is working a gold mine in Compton with tolerable results, I understand; and all the settlers—the French Canadians who came back from the United States—have

an idea that there is some gold to be found in the County of Compton. Some of them have had a good deal of experience either in Australia or in British Columbia or in California, and they are speculating on the possibility of finding mines there.

Q. The developing of those mines would have a tendency to bring quite an influx of population into the country?—Certainly. At one time there was quite a large influx of population into the County of Beauce—when the De Lery mines were opened; but since that there have been only one or two individuals working at the mines with partial success here and there.

By Mr. Cockburn:—

Q. Ottawa County is quite rich in iron and plumbago?—Yes, it is. In the Eastern Townships copper is to be found in large quantities in several places—copper, marble, chromic iron and slates.

By the Chairman:—

Q. You have no reports of coal, have you?—No.

By Mr. Hagar:—

Q. Some phosphates too?—Yes, there are rich deposits of phosphate of lime in several places.

By the Chairman:—

Q. In what part of the Province are the slates located?—In the Counties of Drummond and Wolfe.

Q. Are the slate mines developed?—Yes; but I understand there have been some drawbacks on account of the duties. They have had some dissatisfaction at any rate, either on account of the duties being raised in the States against the Canadian slates—

By Mr. Cockburn:—

Q. In Richmond and Wolfe there is slate also?—Yes; and we have the iron mines of Three Rivers which seem to be inexhaustible, and plumbago, and moistic iron. I have seen very fine deposits of plumbago in the County of Pontiac.

By the Chairman:—

Q. Do you know what is the percentage of the iron deposits in the Ottawa district?—I could not say.

Q. It is very rich I understand?—Yes. A large sum of money. One million of dollars I understand, was expended by an English company to establish smelting works at St. Urban, in the County of Charlevoix, and they had for some reason to abandon them.

By Mr. Cockburn:—

Q. They could not compete with the American iron?—I suppose not. They could not manufacture that iron cheap enough to make a profitable business.

By Mr. Berron:—

Q. Did they smelt the iron with wood charcoal?—Yes, and their charcoal was made from soft wood, there being no more hardwood in the neighbourhood. This may in some measure, account for their want of success. The old works were sold a year or two ago for twenty-five pounds. They had spent, I understand, one million of dollars on them.

By the Chairman:—

Q. What time is the season usually open, so that ploughing and seeding can be carried on in these districts that you have been speaking of?—In the last week in April generally or the first week in May.

Q. Could farms be purchased by immigrants, and if so at about what price per acre—that is improved farms?—You can get good farms with buildings at from \$30 to a good deal higher. You can get in the Eastern Townships very good lots of land, nearly all cleared, at the rate of \$30 per acre—in fact, everywhere in the Province.

Q. Good comfortable buildings?—Comfortable buildings. The lots are from \$30 to \$50, according to the facilities for market. You can get a farm for \$5,000 nearly anywhere. \$40 would be a better average than \$30; but you can get them for \$30.

By Mr. Aylmer :

Q. I think if you said from \$20 to \$40 you would be nearer the mark?—Well yes, perhaps so. I was afraid of putting it too low; but really that is more according to my own view.

Q. I think you can buy about the best farms we have for \$40?—Yes.

Q. Are there lots rented, and if so at what price per acre; or is it customary to let or lease farms on shares, and if so what proportion does the owner receive?—The majority of the people in the Province of Quebec are in the habit of renting their farms on shares. The landlord furnishes half the seed, half the stock, half the implements—they go halves in everything—and he receives half the produce of the farm. Generally instead of giving butter for cows, a price per head is fixed which ordinarily varies from two and a-half to three dollars per cow for the year; and they are obliged to raise calves also; so, for instance, if there are ten cows the farmer will raise four or five calves, and they divide them when they are at two and a-half years. For the sheep, half the wool and half the lambs.

By Mr. Biggar :

Q. Then the tenant gives his time as an offset, for the use of the land?—Yes.

By the Chairman :—

Q. Does the tenant pay for the work?—No; the tenant has to do all the work, and pay for the statute labour.

Q. That stands as an offset against the rest, I suppose?—Yes. You can get good farms at two and a half and three dollars rent per acre.

By Mr. Biggar :—

Q. That includes the cleared land?—The cleared land only; when the farmer furnishes the horses generally he is allowed to raise a colt every year for himself.

By the Chairman :—

Q. What are the chief farm products and the ordinary yield per acre?—I am not very competent to answer. I can only speak in general terms as to the chief farm products. For the last twenty years there has not been much wheat raised in the Province of Quebec if you except the District of the Saguenay and the Gaspé country. There they have never suffered from the wheat worm; it is not known there.

By Mr. Hagar :—

Q. Is it not a fact that they have begun during the last two or three years to raise wheat in the old counties?—Yes; we are beginning to see a good deal more wheat grown of late years, but our farmers generally grow coarse grains. Wherever they have raised root crops they have a splendid crop of wheat afterwards. That is the way they do now. They sow their turnips, carrots or beet roots, then wheat for the following year.

Q. Have you cultivated sugar beet there?—Yes.

Q. To any extent?—We have made experiments last year and the year before. The experiments for last year are to be found in the general report of the Department of Agriculture for last year. There has been a sum voted by the Legislature for the encouragement of the manufacture of beet root sugar, which would be very profitable. The Legislature have voted a sum of \$7,000 a year during ten years to encourage the establishment of that manufacture. In order to establish the average yield and the richness of the beet root grown in Canada, we last year imported five or six hundred pounds of beet root seed. We have distributed that seed among the best known farmers in the Province, asking them to give us a report of the extent of land planted with beets and the yield per acre; and we have received also samples from all the counties of the Province. Those samples we had weighed and analysed in the office by a competent man, a Belgian, who happened to be in Quebec, and we sent twelve other samples to France to have them analysed there, so as to test the analysis made in Quebec, and they were found to be correct; so that at the present day we are in a position to say: "In such a county the average yield of beet is so much and the average yield of sugar is so much."

Q. Do you think the percentage of saccharine matter is as high in the beet

grown here as in the beet grown in Belgium and France?—Yes; it appears it is richer. It has been pronounced richer by very competent men both in Belgium and France. There have been reports on the subject in the reviews and special papers of the beet root industry, the *Journal des Fabricants de Sucre* and *la Sucrierie Indigène*, published in France.

Q. Do you think the manufacturers of beet root sugar here could compete with those of the West Indies?—Certainly; and to my mind there could not be a more satisfactory revolution than that created by the introduction of the beet root culture into this country on a large scale.

Q. Do they utilize the pulp for the feeding of stock?—Yes; twenty per cent. of the root can be used for the feeding of stock, and the rest for making the sugar.

Q. Has not the beet a tendency in this country more than in Belgium and France to be above the surface of the ground?—No, Sir, if the soil is properly prepared. If you give the soil a sufficient depth of ploughing you will avoid that.

Q. That portion above the ground will not contain that saccharine matter?—No; it loses the saccharine matter the moment it comes out of the ground. We made some recommendations in regard to that to the farmers who made the experiments last year.

Q. The machinery necessary for manufacturing and refining—more particularly refining—is very expensive?—It is very expensive.

Q. Have you any idea of the capital requisite to enter into that branch of business?—We have been told that a capital of \$200,000 would be sufficient, but I had an idea that having refineries at leisure at the present moment we might perhaps utilize them and only build what would be required for grinding and pressing the pulp and extracting the juice from the beet.

Q. Is the season in the Province of Quebec sufficiently long for the growth of the beet?—Yes; it comes to perfect maturity; it has time to ripen very well if sown in the early part of May. It is ripe in the beginning of October, but it is better to leave it in the ground until you are ready to work it. We have been told—and it seems to me it stands to reason—that it would be more advantageous to work the beet root here than it is in Europe; because when it is frozen it does not lose any of its qualities if you work it while it is frozen. They all seem to agree that a hard winter would not be an impediment to their growth, and that fact has been well established by what they have been doing in Russia. In Russia they go in very heavily for beet root cultivation; and I believe it is in Russia where they have the best average yield. In Germany the official figures are higher; but there they levy Government duty on the beet itself by the weight, and in order to pay as little as possible of the duty, they cut off the head of the beet which gives less sugar, and they only work the best part of it. So there is a higher percentage of sugar there than you find elsewhere. They are not superior to others in the growth of beet root.

By Mr. Cockburn:—

Q. They do not levy an excise duty on the root do they; it is on the product—for what is made?—The duty is levied on the raw material; in France and Belgium they have to pay an average of four dollars per ton on the beets.

By Mr. Hagar:—

Q. On the raw material?—Yes.

By Mr. Bain:—

Q. Our sugar manufacturers here have been leading us to believe they give them a premium?—Yes; they do, I believe, on what they export.

By the Chairman:—

Q. Are you aware of the failure in connection with the cultivation of beet root for sugar that occurred in Illinois during the past few years?—No. We have found invariably that the beets coming from the new settlements did not give so much sugar as the others; and it appears also that within a radius of thirty miles from the salt water it would not pay to raise them for sugar.

By Mr. Bain :—

Q. The air is so impregnated with salt?—The salt would spoil the quality.

By Mr. Hagar :—

Q. Do I understand you to say that the yield of saccharine matter from the beet root raised on new land is not as much?—Yes. The matter is perhaps as much; but there are salts in the juice which spoil it.

By the Chairman :—

Q. Was last season open sufficiently early to plant the beet?—Yes; all the roots I saw were perfectly ripe, and last year was later than usual. I recollect that in the Eastern Townships the seed was put in in the month of June, and on the 15th of October it was perfectly ripe. I hear there has been a Convention lately at Sweetsburg, and that the question was very much discussed there, and that all the influential farmers seemed to take a great deal of interest in it.

Q. How long is it necessary to keep cattle under shelter in the Province of Quebec, and in what months?—In some years it is very difficult for cattle to make a living in May in the pastures. Some years about the 15th May the cattle can go out. In the fall they will sometimes remain in the field after the beginning of November.

Q. That is six months?—Yes; I would not make it less, because I find that people are too much inclined to represent this country as ice-bound all the time.

Q. What is the usual price of stock?—The price of stock varies very much. In the fall you can get a very good cow for \$25, even less.

By the Chairman :—

Q. Horses?—From \$60 upwards for a working horse.

Q. Is not that cheap for a horse?—I consider it cheap for a good sound working horse.

By Mr. Béchard :—

Q. That is very cheap?—Yes. This is an exceptional year. Of course that does not apply to improved stock; but there is an idea prevailing among enlightened farmers that Canadian cows are better, more profitable than the improved breeds. The cows that were much prized for dairy purposes at the Centennial Exhibition, the Jerseys, were much like the old Canadian cows.

By the Chairman :—

Q. Could you state what pamphlets and other documents for promoting immigration have been circulated by your Department during the past year?—We have not printed anything since 1873; but we had a good supply of the pamphlet on the Province of Quebec. I suppose we have printed about a hundred thousand copies of that pamphlet in both languages: and I have seen it translated into German, Italian, and I believe some Swedish papers have also reproduced it.

Mr. Lowe stated, upon a reference to him,—I may say with regard to that question, that the Quebec pamphlet is a large standard pamphlet that is used very generally; it has been used in the shorter pamphlet published by the Dominion; republications have been made from it.

Witness.—It was published in 1870 for the first time, and a second edition was published in 1873, and since that time the Government agents, and the Allan Line agents, and all the interested in immigration have spread it broadcast in Europe.

Q. Do you think the Province of Quebec offers any advantages for the class of foreign immigrants, say French, Belgian and Swiss?—I should think so. That has always been my opinion, but I have experienced a great deal of deception. I am still strongly of opinion, however, that if a proper man was to go to Belgium, France

and Switzerland, among the French-speaking population, it would be possible to induce them to come and settle here; and I think they would be of great service to the country, because they are more frugal, more simple in their habits than our own population. I believe that our farmers are getting to live on too expensive a scale, and the frugality and simplicity of habits of those people would have a very good effect. Yesterday I was speaking of that settlement in the township of Suffolk. Those people were three years in the country before they were buying. They still wear their wooden shoes and the clothes that they brought with them. What they have bought is merely for their table.

Q. They manufacture their own clothes?—Yes.

By Mr. Béchard:—

Q. I should infer from what you said that the class of immigrants you would prefer to have come to this country is the farming class? Yes, I would have no other but the farming class. The farmers of France, Belgium and Switzerland seem to be best adapted to the Province of Quebec on account of their language and habits of life. They would suit the Province of Quebec better than any other part of the Dominion; but it is very singular that a good many French immigrants have preferred to go to Upper Canada. Some of those who first settled in Quebec have gone to Ontario.

Q. They heard of the different climate?—I suppose so. We thought we were very fortunate in getting French-speaking immigrants, and those we expected would remain with us. But the run of immigration is in a westerly direction, and I believe the railway and steamboat agents, in fact all the influences were at work to create that feeling against us. The moment an emigrant went on board a steamer he was told that he should go west as far as possible.

By the Chairman:—

Q. Were the agents from the United States?—Some of them were, I suppose; but the very sailors on the steamers would tell them that. It is a fact that the English-speaking immigrants will sympathise sooner with the French Canadian than the French themselves. Our experience so far of immigrants from France has not been very satisfactory, and generally the immigrants coming from Great Britain are giving more satisfaction; but is owing to the fact that we have not taken the proper steps to get the proper class of immigrants.

By Mr. Cockburn:—

Q. You have not made a good selection on the other side?—There has been no selection; the scheme was this:—The agents were paid so much per head for all the emigrants they could send, and besides the Allan Line allowed so much per head for the emigrants sent, no matter what they were. We had agents who took good care to send such emigrants as were wanted here; such, for instance, as Mr. Bossange in Paris. I am glad you have mentioned this, because I have seen his name in the papers in connection with immigration matters, and certainly a great deal of injustice has been done him through the press in this country, for I am positive in stating that a more trustworthy agent could not be found. Several Canadians who had occasion to be in Paris have been in his office repeatedly, and I have come to the conclusion that he was very careful in selecting the emigrants he used to send to Canada; but there were other agents in France, Switzerland, and Germany who did not care much whom they were sending.

By the Chairman:—

Q. Numbers was their object?—Yes; they were not Government agents; they make it a business as steamboat agents and speculators in emigration. Well, that cannot be easily stopped; it is independent of the Government.

Q. Are you aware of the system that is adopted by the United States Government with captains of ships bringing out immigrants; are they held responsible for those who are unable to maintain themselves or who are lunatics; that is, who have become burdensome to society?—Yes, I know it is the case; it is the case with us also; the only difference is that the law is not enforced.

Q. Is the Belgian settlement at Namur?—Yes, it is; I gave an account of it yesterday.

By Mr. Mr. Cockburn:—

Q. That is the Suffolk one?—Yes.

Q. What county is that in?—Ottawa.

By Mr. Béchard:—

Q. Is the Government satisfied in Quebec with the action of the Government agents as to emigration in Europe?—I have merely mentioned Mr. Bossange as one of them; he is about the only one from whom we have immigrants. Mr. Berns, agent at Antwerp, is also sending many from Belgium. But I believe the system itself is not safe.

Q. What better system then could you suggest?—The best plan would be to send some Canadians to Europe; men who have a stake in the country and know the country well and can speak from personal experience, to select the proper class of settlers and locate them carefully in special colonies on their arrival here, so that they will be sure to succeed and thus induce their friends and relatives in the old country to come and join them later on. This system of course would have the effect of reducing considerably the number of immigrants coming to Canada, but those who would come would be sure to remain, which is far from being the case under the present arrangement.

THURSDAY, 22nd March.

MR. LOWE.—FURTHER EVIDENCE.

IMMIGRATION AGENTS—IMMIGRATION PROPAGANDISM—PUBLICATIONS—PER CAPITA VALUE OF IMMIGRANTS—IMPERIAL FIGURES OF IMMIGRATION AND EMIGRATION, &c.

Mr. Lowe again appeared before the Committee, and, in answer to the Chairman, stated, with respect to Immigration agencies: I hold in my hand two statements which I submit to the Committee, which have been prepared in answer to Mr. Little's resolution, to the effect that the Committee be furnished with the names and numbers of all the Immigration Agents employed in 1875 and 1876; stating where employed and the amount of salaries, expenses and gratuities paid to each. The following are the statements tabulated for the two years respectively:—

IMMIGRATION AGENTS EMPLOYED IN 1875.

ENGLAND.

Number.	Names.	Locality or District.	Salary.	Expenses.	Total.	General Remarks.
			\$	\$ cts.	\$ cts.	
1	E. Jenkins	London	4,000	2,000 00	6,000 00	
2	G. T. Haigh	Liverpool	1,200	1,446 30	2,646 30	
3	John Dyke	Attached to London Ag'cy	1,200	1,884 82	3,084 82	
6	G. R. Kingsmill	South-west of England.....	1,200	1,732 45	2,932 45	
7	S. Capper	Manchester	1,200	285 71	1,485 71	
8	H. J. Richards	Channel Islands			1,026 01	
9	T. Grahame	England generally	1,200	1,402 98	2,602 98	
10	A. B. Davency	do	1,200	1,901 76	3,101 76	
11	Rev. L. Taylor	Lecturer-General	1,800	1,551 73	3,351 73	

SCOTLAND.

12	R. Murdoch	Glasgow	1,200	2,438 89	3,638 89	Terminated.
13	J. Whyte	Scotland	200	666 97	866 97	
14	A. G. Nicholson	Highlands of Scotland.....	1,200	1,901 76	3,101 76	
4	T. Potts	North-west and West of Scotland	1,200	2,467 62	3,667 62	
5	J. S. Talbot	Midland and Southern parts of Scotland	1,200	1,986 63	3,186 63	

IRELAND.

15	C. Foy	Belfast	1,000	2,844 67	3,844 67
16	H. J. Larkin	Dublin	1,200	1,126 86	2,326 86

ON EUROPEAN CONTINENT.

17	G. Bossange	Paris		500 00	500 00	For use of office in Paris.
18	P. DeCazes	France generally	1,200	1,473 52	2,673 52	
19	J. G. Klotz	Hamburg	1,200	947 88	2,147 88	Terminated.
20	Mdme. Von Köber.....	Switzerland and Germany..	600	1,608 76	2,208 76	
21	H. Mattson	Scandinavia	2,400	1,729 99	4,129 99	
22	W. C. Kreiger	Iceland	1,200	667 29	1,867 29	
23	S. Jonasson	do			1,001 03	
					61,393 03	

DEPARTMENT OF AGRICULTURE,
OTTAWA, 20th March, 1877.

IMMIGRATION Agents employed in 1876.

ENGLAND

No.	Names.	Locality or District.	Salary.	Expenses.	Allowance.	Total.	General Remarks.
			\$	\$ cts.	\$ cts.	\$ cts.	
1	E. Jenkins	London	2,500	1,530 33	3,250 20	3,776 30	Terminated 31st January.
2	F. J. Dore	do	600	1,281 45	.....	4,030 33	Terminated 30th June.
3	G. T. Haigh	Liverpool	1,200	1,647 00	.....	2,847 69	Transferred to Liverpool 1st July.
4	John Dyle	do .....	.....	.....	.....	1,463 57	
5	S. Capper	Manchester	600	2,108 84	.....	2,706 84	Transferred to London office.
6	A. B. Davenny	England generally	1,200	1,959 00	.....	3,159 00	
7	Thos. Grahame	do	1,200	1,798 53	.....	2,996 53	
8	G. R. Kingsmill	South-west of England	600	969 82	.....	1,569 82	Transferred to London office.
9	J. S. Talbot	Midland and Southern	1,200	2,193 16	.....	3,393 16	
10	Thos. Potts	North-west and West .....	.....	.....	.....	4,476 44	Terminated 31st December.
11	Rev. L. Taylor, D.D.	Lecturer	1,800	2,676 44	.....	780 35	do 30th June.
	H. J. Richards	Channel Islands .....	.....	.....	.....	.....

SCOTLAND.

12	R. Murdoch	Glasgow	600	1,042 70	.....	1,642 70	Terminated 30th June.
13	A. G. Nicholson	Hebrides	1,200	1,490 00	.....	2,690 00	Scotland generally, since 1st July.

IRELAND.

14	H. J. Larkin	Dublin	1,200	1,808 51	.....	5,008 51	
15	O. Foy	Belfast	1,000	2,924 03	.....	3,924 03	
16	J. Murphy	Limerick	1,200	1,637 00	.....	2,887 00	From 1st February.

IMMIGRATION Agents employed in 1876.

ON EUROPEAN CONTINENT.

No.	Names.	Locality or District.	Salary.	Expenses.	Allowance.	Total.	General Remarks.
17	G. Bossange.....	Paris.....	500 00	500 00	For use of office in Paris. { * Has acted as Asst. Agent in Ice- landic settlement since 1st Sept., at salary of \$60 per month and actual expenses. }
18	P. DeCazes.....	France generally.....	1,200	1,464 19	.....	2,664 19
19	E. Von Koerber.....	Switzerland and Germany.....	600	2,638 40	.....	3,238 40
20	W. O. Kreiger.....	Iceland.....	1,200	1,639 04	.....	2,839 04
21	S. Jonassen.....	Keewalin.....	450	668 09	.....	*1,118 09
22	J. E. Klotz.....	Hamburg.....	1,200	2,261 19	.....	3,461 19

DEPARTMENT OF AGRICULTURE,
OTTAWA, 20th March, 1877.

By the Chairman :—

Q. Can you inform the Committee of the number of agents now employed, and where?—Yes; they may be stated as follow :—

AGENTS NOW EMPLOYED IN ENGLAND.

STATIONARY.

F. J. Dore, London Office; John Dyke, Liverpool.

TRAVELLING AGENTS AND LECTURERS.

G. R. Kingsmill, Thos. Potts,
Thos. Grahame, S. Capper.

IN SCOTLAND.

A. G. Nicholson, office in Glasgow, and travelling Agent in the Hebrides.

IN IRELAND.

STATIONARY.

C. Foy, Belfast; H. J. Larkin, Dublin;
J. Murphy, Limerick.

CONTINENTAL.

G. Bossange, Paris; P. DeCazes, France;
J. E. Klotz, Hamburg; E. Von Kœrber, Switzerland and
W. C. Kreiger, Special. Germany;

With respect to Mr. Bossange I may explain that he is only paid a nominal amount yearly of \$500, for the use of his office in one of the most important streets in Paris. He keeps in his office, books of reference, maps and documents pertaining to Canada, which are of very great use. Mr. Berns, Antwerp, Mr. Zwilchenbart of Basle, and Mr. Brown of Havre, are unpaid agents of the Department.

And, with respect to Mr. Kreiger, the mission with which he is charged is very special in its character, and terminates with the year. The paid Agents of the Department, stationary and travelling, are therefore only thirteen; of which there are only four travelling or lecturing agents in Great Britain.

Q. Do you consider these agents effective?—Yes; they are men who have been retained from all those who have been employed, on account of their experience, special fitness and ability.

Q. Are the agents employed by the Australian Colonies more numerous?—Oh, yes, very much more numerous, as I explained at my previous examination.

Q. When did Mr. Jenkins resign?—At the very beginning of the year.

By a Member :—

Q. What was he paid?—An allowance, by Order in Council, equivalent to six months' salary, for the reason that the reorganization of the London office by the Order in Council of December, 1875, made a change in his position which he was unwilling to accept.

By Mr. White (Renfrew) :—

Q. What is Mr. Dore's salary allowance?—Salary \$2,500, and he has an allowance for travelling expenses, the same as other agents, of \$4 a day.

Q. In the figures of \$51,935 for European agencies and expenses, is the London office included?—No; the expenses of the London office were \$20,054, but this amount includes some expenses which overlapped from 1875, such as the allowance to Mr. Jenkins; also of the office staff, whose services were dispensed with; and there is also a deduction of \$9,500, that being the amount of the payments by the Provinces for their special use of the London offices.

Q. Has the London office other functions than those of emigration?—Yes; it is an office of general call, not only for Canadians who may be in London, but for all persons seeking for information respecting Canada; it has a library of books of reference—the statutes of all the Provinces, the journals of Parliament and the Local Legislatures, maps and other public documents, and a news-room where Canadian papers are kept on file. It is thus in a position to furnish authentic information to visitors and others not elsewhere obtainable in the United Kingdom. On the invitation of Mr. Dore, the present Agent, members of the press have very generally availed themselves of this means of obtaining information respecting Canada. In fact, previous to the establishment of this source of information, the want of it was found to be a necessity which had to be supplied. I may add that our establishment in London is more modest and less expensive than those of some of the sister colonies

Q. What is the staff employed in the London office in addition to Mr. Dore?—It consists of five clerks, one of whom is engaged to take charge of the library and news room, and one to assist the agents of the Provinces, his salary being really covered by the special allowance they pay. One is specially employed as an accountant, leaving two to assist Mr. Dore with the general correspondence, which is very large, and passenger warrants; there is, besides, a messenger. The clerks' salaries in the London office are \$7,111.41.

By the Chairman:—

Q. What results have been obtained in connection with the French agency, as compared with other agencies?—The immigration from France has not been so large as that from the United Kingdom, or the special Mennonite immigration that has come through the Hamburg agency by the special arrangement which had been entered upon with delegates who came to this country in 1872. The total number of French immigrants reported to have come to this country from Mr. Bossange's agency (assisted by Mr. Barnard, Mr. Provencher and Mr. DeCazes, special agents of the Department) since 1872 is 4,800. Of these a very considerable number probably two-thirds or three-fourths, have done well. A considerable part of the remainder had avocations not adapted to this country.

By Mr. White (Renfrew):—

Q. If I understood the question, I do not think the answer is so full as I would like to have it. As I understood it, the Chairman desired to learn what were the relative results obtained by the expenditure in connection with the agencies in France and in the United Kingdom?—I intended to convey that the immigration from the United Kingdom was relatively more successful than that from France, as was also the special immigration from Berdiensk. A proportion of French immigrants which I stated, say a third or fourth, was not successful; but on this point I think it right to explain to the Committee that, in my opinion, the whole of the French immigrants who have come to Canada and been unsuccessful cannot be properly credited to Mr. Bossange's agency. Many, if not all, the great steam lines have agents in France, who have induced immigrants to come to America, probably without much regard to the question of their fitness to emigrate; and there is reason to believe that considerable numbers of these, when the first pinch of the commercial and industrial depression in 1873 was felt in New York, came over to Canada. As regards expenditure, the immigration expenses in France have

not been very large, while the agency has been to a great extent tentative, it being known that the French are not an emigrating people, except in special circumstances. Those who are doing well in France do not desire to leave; but if, out of 4,800 immigrants from France, through Mr. Bossange's agency, a proportion of two-thirds have done well, that immigration, in so far as Canada is concerned, cannot be said to be entirely a failure, whatever may have been the sufferings of that portion of the immigrants not adapted for settlement in this country, or perhaps any other outside of the city of Paris. And, further, those persons who did not do well here might not have done well in Paris; they might have suffered there. I think among all large emigrations there is some—perhaps much—suffering, but that is not to say that the general effect of the movement may not be beneficent.

By the Chairman:—

Q. Can you inform the Committee what was the number of pamphlets issued during the past year and circulated for Immigration purposes?—Yes; they are as follow:—

50,000 Manitoba and North West. ✓
 50,000 Manitoba and North West (Spence.)
 20,000 Stock Breeding, for Tenant Farmers.
 1,500 Copies of Report of Immigration Committee.
 2,500 Year Books.
 5,000 Mack's German pamphlet.
 100 Graphic Description of Canada.
 510 O'Leary's work on Canada.
 153 Hurlbert's Climate, &c., of Canada.

In addition to these I may mention that the Allan Line have circulated a very large number of pamphlets and hand bills, and printed slips of special information, as well as advertised all over the United Kingdom. I have not the precise figures of the publications circulated by the Allan Company, but they probably exceed in numbers those issued by the Department. The Dominion Line has also made efforts of the same nature, but I have no special information of its operations, or those of other companies. The agents of the Department have also given very numerous lectures, many of which have been published in the newspapers of the United Kingdom. Large, however, as may be the apparent numbers of special publications, year by year, the field on which they are intended to operate is so vast that they scarcely make an impression. The education, with respect to Canada, especially in the particular of its suitability as a field for immigration, has been by no means special in the United Kingdom.

By the Chairman:—

Mr. White, of Hastings, wishes to have some information as to the distribution of emigration publications. Were these all circulated in Europe, or were any distributed in this country and the neighbouring States? Please give information respecting their distribution:—The emigration publications have been principally distributed in the United Kingdom and parts of the continent of Europe by agents, with a view to furnish information respecting Canada to intending emigrants. But a considerable number of the pamphlets respecting the Province of Manitoba and the North-West Territories of the Dominion, have been distributed in the New England, and parts of the Western States. There has also been a distribution of these pamphlets within the Dominion, to some extent, by members of Parliament. They have also been distributed by the Dominion agents in Canada, and upon direct application to the Department. There has been, especially in the last year, a desire to obtain pamphlets on the North West. The pamphlet on Stock Breeding was almost

exclusively circulated in the United Kingdom, as far as possible amongst tenant farmers. The copies of the report of the Immigration Committee and the Year Book were principally sent to official persons and the press in the United Kingdom, as well as to reading rooms and mechanics' institutes. The press, in return, have published notices; which is a useful mode of attracting attention to Canada. A pamphlet principally prepared in the London office, and to some extent by the Department, is being printed. It is intended to furnish very full information with respect to Canada.

Q. Do you consider the number of pamphlets issued by the Department to be useful? Is it excessive?—Given the fact that it is desirable to make a propagandism to promote immigration to Canada, there can be no question that the issuing of publications in every form and shape, containing information respecting the country, is a useful means to that end. The number issued is certainly not excessive; in fact, as I before stated, it may be said that we have scarcely made an appreciable impression, so vast is the field to be operated upon. There is difficulty, however, in distributing very large numbers of pamphlets gratuitously, and the limit of usefulness is the number that can be judiciously distributed among the class of persons interested. This is one of the difficulties to be dealt with. The reading of our pamphlets may not induce persons to emigrate wholesale, but it does influence the action of the class of intending emigrants.

Q. Do you think the results obtained bear a fair proportion to the cost, taking into consideration the total expenditure for immigration, and the *per capita* value of the immigrants?—This question covers a very wide ground and opens points on which there may be debate. Probably I shall best answer it by giving to the Committee some facts. But as the question of opinion is asked, I may state, after very careful study, that I am decidedly of opinion, the country, as a whole, has received very ample value for its immigration expenditure. The total *per capita* cost of immigrants in 1876, including every expenditure by the Dominion Government, both in Europe and the Dominion, was \$9.83; but as, against this, I showed the Committee last Session, calculations to the effect that each immigrant who stayed in the country contributed from eight to twelve dollars a year to the revenue, as a consumer of dutiable goods. The total cost for immigration is therefore actually covered in one year by direct return to the revenue in Customs Duties. There is the further fact, that the ascertained amount of money and effects brought by immigrants to this country in 1876 was \$686,205.00, and there were besides considerable values not ascertained; the value ascertained being nearly \$27 *per capita*. That is very nearly three times the amount of direct cost. But these two facts,—1st the amount of their contribution to the revenue being in one year equal to their cost; and 2nd, the value they brought being nearly three times their cost, do not by any means cover the question of the value of immigrants, and, in fact, form but an inconsiderable portion of it. I have stated the return to the revenue only for one year, but that will continue every year they labour and consume. Then their children grow up, who also become labourers and consumers and contributors to the revenue. There is a further consideration. Every productive interest in the country, both agricultural and manufacturing, is aided and promoted by means of their labour, skilled and unskilled; and, in this view, the wealth of the whole country is promoted and increased. Still further, as I stated before, immigrants bring with them, not only strength to labour, but special skill in the trades, in arts and agriculture. Considerations of this kind, as has been before shown to the Committee, have led to attempts at capitalizing the average value of individual immigrants. The chief officer of the Bureau of Statistics at Washington, places this at \$800, and other authorities at \$1,225, and \$1,500. Dr. Farr, in England, calculates the value of a labourer at the age of 25, at \$1,200. I see, myself, extreme difficulty in attempts at precise capitalization of this kind, but there can be no doubt as to the very great, I may say enormous, value of immigrants who are successful. All, of course, are not equally so, but, as a rule, the great bulk of all

immigrants who come to this country do earn their living and do well. The exceptions are especially few in the case of agricultural labourers. Of the special colonizations, those of the Mennonites and repatriated Canadians, have so far done very well, but that of the Icelanders is not assured.

Q. What was the character of the immigration from the Continent of Europe, particularly from France and Germany?—There was very little immigration from the Continent to Canada last year, with the exception of the special immigration of the Mennonites. There were the Icelanders from the Island of Iceland. The general immigration from France and Germany almost stopped last year. There was an immigration from Switzerland, owing to Madame Von Kœrber's efforts forming the nucleus of a settlement in the Free Grant district of Ontario, and it is possible, I think, probable, this will be largely increased. It will, if the settlement be successful.

By a Member of the Committee :—

Q. You stated the number of immigrants who settled in the country last year was 25,633, as reported by the Agents. Can you state how many left the country or returned to Europe during the same time?—I have no means of answering that question with precision, but we have had reason to believe that there has been a large return movement from this continent to Europe, both from Canada and the United States. There is reason to believe that considerable numbers went to Europe with the intention of returning to Canada. In fact, the transport by steamers has become so cheap and so rapid and comparatively comfortable that a fluctuation of wages on either side of the Atlantic has become sufficient to cause a movement of the mechanic or artizan class either backward or forward. I may state that, since I last appeared before the Committee, I have received a copy of the Statistical Tables relating to emigration and immigration from and into the United Kingdom for the year 1876, with the report of the Board of Trade thereon. These tables have a bearing on the question, and contain facts of interest. It appears from them that the total emigration from the United Kingdom last year was 138,222, while immigration was 91,647, leaving a total excess of only 46,575, being the smallest recorded in any year since the Irish exodus began. According to the same authority the total emigration of persons of British origin in 1876 was 109,469, against an immigration, so far as recorded, of 71,404, leaving an excess of British emigrants of only 38,065. The British emigrants to the United States were 54,544 against 54,697 immigrants from the United States to the United Kingdom, showing the unusual fact of a balance of 143 persons of British origin emigrating from the United States to the United Kingdom. I think it well to give the Committee the following tables from this Return :—

UNITED KINGDOM.

A.—Comparing total Emigration with total recorded Immigration.

COUNTRY OF EMIGRATION AND IMMIGRATION.	Emigrants.	Immigrants.	EXCESS OF	
			Emigrants.	Immigrants.
United States.....	75,533	72,060	3,473	.....
B. N. America.....	12,327	7,284	5,043	.....
Australasia.....	33,191	2,579	30,612	.....
All other places.....	17,171	9,724	7,447	.....
Total.....	138,222	91,647	46,575	

B.—Comparing Emigration and Immigration of persons of British origin only.

COUNTRY OF EMIGRATION AND IMMIGRATION.	Emigrants.	Immigrants.	EXCESS OF	
			Emigrants.	Immigrants.
United States	54,554	54,697	.....	143
B. N. America.....	9,335	6,629	2,706	.....
Australasia.....	32,196	2,579	29,617	.....
All other places.....	13,384	7,499	5,885	.....
Total.....	109,469	71,404	38,065	143

These figures, at a first glance, appear to be greatly different from those published by the Department, but the difference may be explained. The Board of Trade gives a total emigration to British North America of 12,327. The Department gives a return of immigrants *via* the St. Lawrence and Maritime Province ports of 12,211. The difference of 116 may be immigrants who went to Newfoundland. I find, on looking at the titles to the tables in the Imperial return, that they consist of passengers to the ports to which the vessels sail. Thus the large number of immigrants who come to Canada by way of the United States, entering by the Grand Trunk Railway from Portland and at the Suspension Bridge, are all classed in these returns as emigrants to the United States. With this explanation, the very large difference existing between the two sets of figures is reconcilable. But, as the Board of Trade tables at present stand, they do not by any means represent the immigration to Canada. I may further remark, with regard to the figures of immigration into the United Kingdom from British North America, that such immigrants do not by any means necessarily consist of persons who have recently arrived in this country. They consist of passengers who have, for any reason, sailed from British North America to British ports, and I have already indicated one reason for a movement between this country and Europe.

By Mr. White (Renfrew) :—

Q. Can you tell the Committee what was the proportion of tenant-farmers or men possessed of small means compared, say, for instance, with the whole agricultural immigration?—I cannot give the exact figures of that difference, but I may say that efforts are being made for (and circumstances are favouring) attracting the desirable class of tenant-farmers. I may add that I think in future the immigration to Canada will more largely consist of this class.

Q. For what reasons?—I stated at my previous examination that the reports lead us to believe there is a tendency in the United Kingdom to an enlargement of farms, which throws many small farmers out of their holdings. It is found that altered circumstances in agricultural practices require the investment of much more capital per acre. The farmers are, therefore, to a great extent, in a transition state, and they are necessarily, as yet, in very great doubts as to what will be the effect of the recent movement of meat importation. Thus, while turning their attention to their own condition, they are disposed to look, at the same time into the circumstances of the countries whence the meat supplies have come. Mr. Mechi states that "as the capital of the Kingdom increases so does the size of farm holdings; farm is added to farm, the residences being occupied by farm labourers. In some instances the holdings have been increased to the extent of six or seven thousand acres. We have one such instance in Essex, and many of from 600 to 2,000 acres. So long as this country increases in wealth this will go on." He goes on to contend

that farming capital, by the substitution of steam for horse power in agriculture, as it has been in manufactures, locomotion and navigation, must be very greatly increased. Tenant-farmers thus thrown out of their holdings, and also by the operation of converting farms into parks, will be likely to emigrate if they see they can do better.

Q. Can you inform the Committee to what extent the meat trade is being carried on?—It is certainly assuming very large proportions, and companies are being formed to carry it on. Many of the steamships are being specially fitted up for its conveyance, the railways on this side having refrigerator cars to convey it to the ship, and on the other side to convey it from Liverpool to London. I was informed on Saturday last that the Dominion Line was making arrangements to convey large numbers both of cattle and horses. The indications are that Canada and parts of the United States bid fair to become to England what Ireland and Scotland have been, so far as relates to meat supplies, and the effect of this upon immigration to Canada must be very considerable.

Q. Your answer leads to another question—that is, as to the manner in which our meat is viewed in England, and if it is considered to be equal to the beef raised by the Irish and Scotch stock raisers?—I think I did state in my previous examination that it is considered to be equal to Scotch prime, which is the highest standard; and Mr. Tallermann, a large dealer of imported meat in London, advertises that if his weekly supply should fail to be sufficient for his orders, he would fill them with Scotch prime for the balance.

Q. *By a Member.*—Is there not danger of our glutting the market?—Certainly not, from any possible exportations of meat from Canada. When the census was taken in 1871, the total number of horned cattle in the Dominion was only about two and a half millions, and the number killed or sold during that year was about half a million. The increase in the number of cattle has probably not been very large since that time; at any rate, the number of cattle that could at once be spared from Canada would not appreciably affect the English market. Of course a very large demand might and would very soon increase the supply from Canada. I think the question of competition from the immense herds of Texas, driven up to Chicago and sent thence in quarters, by refrigerator cars, to the Atlantic seaboard, is a far more important one for us to consider. An ox among the vast herds on the south-western plains is only worth about five dollars, and the question is, what he can be driven to Chicago for, and, after being reduced to quarters, sent to the seaboard? While I cannot say what may be the ultimate effect of a competition of this kind, it is certain that at present the margin between prices in England and Canada is sufficient for a profitable trade. I may add that I see it reported in the English newspapers that the French have fitted out a steamer called the "*Frigorifique*," for the purpose of conveying meat in a dead state from the Tropics to France. An accident happened to her machinery on her first trip, detaining her some weeks in the tropics, but she yet took her cargo home in a perfect state. This fact not only settles the question of the possibility of carrying meat successfully in warm weather, but broaches the question of a possible competition with South America, where many thousands of cattle are annually slaughtered for their hides and fat. I may further say, as to the extent of the market in Great Britain, that without having made a special study of such figures as may be obtained, I have noticed in some pamphlets which have been published on this subject that, according to Mr. Wentworth Scott, the amount of meat annually consumed there was, some years ago, 1,281,000,000 lbs.; and he estimated the capability of consumption, to keep the population in comfort in this respect, to be 3,544,300,000 lbs. annually.

THURSDAY, 22nd March, 1877.

MR. SPENCE.—SECRETARY IMMIGRATION DEPARTMENT, ONTARIO.

LANDS AVAILABLE FOR SETTLEMENT IN ONTARIO—SPECIAL CIRCUMSTANCES OF IMMIGRATION TO THAT PROVINCE.

Mr. SPENCE appeared before the Committee.

By the Chairman :—

Q. Please state your name, designation of your office, and the number of years' experience you have had?—My name is David Spence; I am Secretary of the Immigration Department for the Province of Ontario, and have been engaged as such for over four years.

Q. Can you state to the Committee what number of acres, adapted for agricultural purposes, are at the disposal of the Ontario Government; also, the number of acres disposed of during the last ten years, or since Confederation. The object of this question is to show that we have lands open to settlement, as very rash statements have been made in Parliament to the effect that we had no land fit for settlement?—I am not prepared to answer this question fully. In the Free Grant Territory, between the Ottawa River and the Georgian Bay, there are nearly six millions of acres surveyed, of which nearly a million and a-half acres are disposed of, the rest being still in the hands of the Government. There are besides over three millions of acres of unsurveyed land in the same territory at the disposal of the Government. In the Algoma district, there are probably thirty or forty millions of acres, but I cannot give any reliable information respecting its adaptability for agricultural purposes. As to the number of acres disposed of, I may explain that since the adoption of the Free Grant system in 1868, the most of the arable land disposed of by the Government has been settled under that system. Other lands have been disposed of in different parts of the Province, and settled upon, but of these I have taken no notice. On receipt of your summons on Monday last, I condensed the following statement from the reports of the Commissioner of Crown Lands respecting the disposal of land in the Free Grant Territory under the Free Grant and Homestead Act of 1868 :—

Year.	Number of townships set apart.	Number of persons located.	Number of acres located.	Number of purchasers.	Number of acres sold.	Number of lots, the locations of which have been cancelled.	Number of patents issued.
1868.....	15	511	.....	82	2,120	.....	.....
1869.....	24	566	56,011	52	956	.....	.....
1870.....	14	1,200	155,427½	148	4,585½	.....	.....
1871.....	1	1,113	153,105½	139	3,452½	.....	.....
1872.....	18	875	115,065	97	2,268½	148	.....
1873.....	6	757	100,603½	79	5,038	381	.....
1874.....	10	919	119,070	57	2,144	453	755
1875.....	1	1,387	186,807	89	3,896	381	570
1876.....	.....	1,463	192,858	110	2,261	462	546
	80	8,791	1,078,947½	853	26,721½	1,825	1871

In 1876 there were three more townships set apart for free grant purposes, making in all ninety-two townships. These three are not included in the above statement because they were not formally opened for settlement within that year.

By the Chairman :—

Q. What is about the area of such townships?—As near as I can estimate, each township will average about 50,000 acres, so that the total number of acres so set apart would be 4,500,000 or 5,000,000.

By the Chairman :—

Q. This number has been set apart during that time for settlement?—Yes, under the free-grant system. It is to be understood that the Government has been in the habit of surveying and appropriating lands as free-grants as they were required for settlement.

By a Member of the Committee :—

Q. Are they still reserved?—When the Government set these lands apart for free-grant purposes, it reserved them for that purpose and no other. Of course, I cannot speak in reference to the townships not yet appropriated as free-grants; or to those which may hereafter be surveyed, as to whether they will be set apart as free-grants or otherwise.

By a Member :—

Q. Is the area given in the return, I would like to ask?—The actual number of acres of free-grant land taken up is given; the locatees on these numbered 8791; but it will be seen from my statement, that some of these have been cancelled, for non-fulfilment of settlement duties.

By a Member :—

Q. What is your approximate estimate of the population of the free-grant lands?—In forming an estimate of the population of the free-grant territory, it must be borne in mind that, besides the locatees mentioned before, that during the last few years a large number of people have squatted in many of the townships not yet open for settlement; that quite a number had been settled there previously to the adoption of the free-grant system; that the township of Ryerson, which contains 158 families, is not included in the statement of locatees; and that the population of the villages must be counted separately. In putting all these together, I think I should be near the mark in setting the population of all the free-grant districts at 50,000 souls. I believe that some of the townships not yet open for settlement, contain a population as large as most of those that have been opened as free-grants. As for instance, the township of Perry. The population of these townships does not figure in the returns. The township of Monteith is also opened up for settlement. I may mention, that I have prepared a statement, of which I present a copy, shewing in a tabular form the number of families settled in each of the free-grant townships in each year, from 1868 to 1876, both inclusive. This is intended for the information of people who are in search of land in those districts. (Statement referred to appended to Mr. Spence's evidence.

By Mr. Cockburn :—

Q. Are you aware that there is plenty of land in the free-grant districts unoccupied at the present time?—Those who go out there seem to find no difficulty in obtaining land that suits them, and of as good quality as that already settled upon.

My own impression is, moreover, that the lands now open for settlement are rather better than those already taken up.

By the Chairman :—

Q. That is an important point?—As you approach Lake Nipissing the land is found to be of good quality. I noticed that in the surveyors report concerning the township of Nipissing (which has just been opened for settlement), it is stated that 70 per cent. of the land is fit for agricultural purposes; and in the township of Gurd, which adjoins it, 80 per cent. of the land is estimated to be good. From the surveyor's reports and from conversations with several persons who had traversed those districts I formed the opinion as already stated, that the tract of land in that section is fully as good, if not better than what has been already settled upon.

By a Member :—

I may say to the Committee that I know of eighty families who have squatted in the township of Gurd in 1876; of course the Department has no knowledge of it. Probably the reason that led so many to squat in that township, is that in passing through it they found the land better than in other townships which were open for settlement. The land in this township though surveyed has not been regularly opened up for location.

By Mr. Cockburn :—

The Government only sends surveyors to lay out land when these are required. I may say that I know about these squatters from the fact that many have applied for post offices. Information must be furnished to the Department under these circumstances, as to the number of families to be accommodated. We have no means of knowing this, save from petitions sent in, and we have now five post offices established outside of the lands which are in the market, and which are ready for location.

By the Chairman :—

Q. Has the Government of Ontario settled the policy of offering free grants of Crown Lands, and what are the conditions of settlement?—Under the Free Grant and Homestead Act, which came into force on the 28th February, 1868, every head of a family having children under eighteen years of age, can obtain, gratis, two hundred acres of land; any person arrived at the age of eighteen may obtain a grant of one hundred acres in the Free Grant Districts. No such grant is to be made to a person under eighteen years of age, or for more than two hundred acres.

Any locatee under the Act, being the male head of a family, is allowed to purchase an additional 100 acres at 50 cents per acre cash, at the time of such location, subject to the same reservations and conditions, and the performance of the same settlement duties, as are provided in respect of Free Grant locations by the 9th and 10th Sections of the Act, except that actual residence and building on the land purchased will not be required.

The settlement duties are :—to have 15 acres on each grant cleared and under crop, of which at least two acres are to be cleared and cultivated annually for five years; to build a habitable house, at least 16 x 20 feet in size; and to reside on the land at least six months in each year.

There are other regulations respecting timber, &c., but it may not be necessary to enumerate them here.

By a Member :—

One of the matters set forth in the conditions relates to timber reserves; settlers ought to be made aware of it.

By the Chairman :—

Q. Do you mean settlers who are there, or settlers who intend to go there?—
I allude to settlers who intend to go there.

By a Member :— Mr. Spence, you know that as a fact timber is reserved for five years?—Pine timber only is reserved, and the conditions state the reason why. Exception, however, is made for such as may be required for fencing and other necessary operations. If the pine timber is cut for any other purpose, the settler must pay dues to the Crown.

By the Chairman :—

Q. They have a right, however, to take it for their own use and for improvements on the property?—Yes, this applies to all timber. On the termination of the five years the patent is issued, and the timber becomes the property of the settlers. The object of the reservation of timber is to protect the *bonâ fide* settler and to ensure the actual settlement of the land. It is to prevent persons going upon it under pretence of settlement, but in reality for the purpose of stripping it of the timber.

By a Member :—

I think that to the European immigrant this question of timber reserves is not a matter of importance, for the simple reason that he does not belong to that class which settle on land for the sake of the timber. The class to whom it would be valuable is to be found in our own midst; but the European immigrant is not anxious to get rid of the timber in five years, because he wants to settle on the land and occupy it as his home.

By a Member :—

Q. But it becomes a serious annoyance to him to see the timber cut on his land?—The further conditions are that, on the death of the locatee, the land vests in his widow during her widowhood, unless she prefers to accept her dower in it. The land cannot be alienated except by will, nor mortgaged until the patent is issued, nor within twenty years of the location without the consent of the wife, if living. It is not at any time liable to be sold under execution for any debt contracted before or during the twenty years after the location, except for a mortgage or pledge given after the issue of the patent. It may be sold for taxes.

By a Member :—

Another thing known among ourselves is, that townships into which many squatters have entered have been surveyed for a considerable time; the only reason that these townships are not regularly located was that the Government wished to dispose of the timber. It was contemplated to put these lands up for sale last year, and this has kept back settlers. Persons desirous of settling demand to have them put into the market and rendered open to location; but as this was not done they squatted on the land. These people knew well enough where they were going, and the reason why the Government kept the land out of the market was in order to dispose of the timber.

By a Member :—

It is practically stripping the pine off the lots.

Another Member :—

There is no doubt about that. That is the practical result. The Government wishes to get all the revenue possible out of these lands. It has been shown pretty clearly that the previous Government did the same thing.

By the Chairman :—

Q. Can you give us any information about the Free Grant lands, and the modes of reaching them?—The free grant system is confined to the lands in the Algoma and Nipissing districts, and the lands between the Ottawa River and Georgian Bay, to the west of a line drawn from a point opposite the south-east angle of the Township of Palmerston, north-westerly along the western boundary line of other townships to the Ottawa River, and north of the northern boundaries of Oso, Olden, Kennebec, Kalador, Elzevir, Madoc, Marmora, Belmont, Dummer, Smith, Ennismore, Somerville, Laxton, Carden, Rama, and the River Severn. As to the mode of reaching them—to that part of the district which lies to the west, settlers go by the Northern Railway to Gravenhurst, thence by the Cockburn steamers through the inland lakes to Rosseau, and thence by the colonization roads to the different parts of the Free Grant lands. Settlers going into the eastern sections take the railways from the front to the rear districts, and thence reach their destinations in a similar manner to those settling in the west. Algoma district settlers go by steamers from Collingwood. The Free Grant lands are all quite accessible.

By the Chairman :—

Q. And all the eastern section of Peterboro' ?—That is also quite accessible.

By a Member :—

Q. Some reach that section by Belleville and Renfrew ?—They can take different routes to reach it.

By the Chairman :—

Q. Are there any barriers between the portion of the Province now settled and the portion opened for colonization ; can continuous settlements be made in the Free Grant territory ?—There are no barriers, and settlements have been carried on very continuously. It is true that, in some instances where better lands could be found in the rear, settlers have shown a disposition to pass over nearer lands and reach those further back ; but in reality there are no barriers to prevent access to any part of the Free Grant territory.

By the Chairman :—

Q. The object of my question was this ; there is a range of mountains called the Laurentian Range running up the Ottawa, and I merely wished to ascertain whether continuously up to the Georgian Bay and in rear of these mountains good land was not to be found ; in order that people in reaching the slope of the mountain might not imagine that this was the terminus of land fit for cultivation ?—As a question of fact, teams leave Parry Sound or Rosseau and go to Lake Nipissing.

By the Chairman :—

Q. What are the market facilities in that section ; what prices are given for stock and agricultural products in these settlements ?—Small villages are springing up in different parts of these districts ; such as Gravenhurst, Bracebridge, Parry Sound, Rosseau, Haliburton, &c. Orillia is not far from one portion of the settlement. A good deal of the produce raised in these places is consumed by the new settlers going in there ; but near Lake Nipissing very high prices are obtained for farm produce from lumbermen. A settler by the name of Beatty, who has several hundred acres of land, makes a good deal of money in this way ; he obtains sometimes as high as \$1 per bushel for his oats. I am not prepared to give any special information as to the price of stock.

By Mr. Cockburn :—

Q. I would say, Mr. Spence, that there is a good market in Algoma, Gravenhurst, Bracebridge and Parry Sound for everything which lumbermen desire to

procure?—So far as I can learn, all that is raised in these quarters can be sold very readily and at remunerative prices.

By a Member :—

Q. You said that the price of oats was \$1 per bushel?—That was paid in a very remote settlement. I did not mean to imply that that was a usual price. I merely mentioned that exceptional price to show what was going on in some districts. Beatty, I believe, was the only person, who, for some years raised any produce in that section.

By a Member :—

It is better for lumbermen to pay that, than draw oats 200 miles in sleighs.

By the Chairman :—

Q. The cost of transportation would equal the price?—Yes; the transportation at certain seasons of the year would certainly be difficult.

By the Chairman :—

Q. What are the chief agricultural products in the Free Grant territory, and the ordinary yield per acre?—They raise spring wheat to some extent in some parts; but as the country is new, in many sections, the principal products are oats, barley, potatoes, and other root crops. I presume that the ordinary yield would not differ very materially from the general average in other parts of the country.

By the Chairman :—

Q. Would the yield of the soil be better on the average than is usually the case?—In making a comparison, I speak of the soil as compared with new lands in other parts of the country. I may also state that, owing to the large supply of excellent water; the abundant growth of natural grasses, which appear to be very nutritious; and the general healthfulness of the climate, this territory is eminently well adapted for stock-raising, and for dairy purposes.

Q. You cannot, from hearsay, give any reliable information in regard to the yield of the soil per acre?—I cannot speak positively, or give any specific information on this point.

Q. Does your Province present inducements for the immigration of men having no capital but their labour, and who are content to remain mere labourers, until they lay up sufficient capital to commence farming on their own account?—In order to make this matter clear, it may be well to state what has been done in former years. In 1873 and 1874, the Ontario Government paid \$6 per adult, to such farm labourers and female domestic servants as were selected in Europe and furnished with certificates to that effect. In 1875, this bonus was paid only in reduction of the passage-money of similar classes of emigrants. In 1876, the bonus was paid in the reduction of the passage-money of female domestic servants from Great Britain and Ireland.

Q. But such assistance was not extended to males?—In 1876, it was not generally extended to males; but a bonus of £1 sterling was paid in reduction of the passage money of such farm labourers as had their ocean fares paid, through the Immigration Department, Toronto, by persons living in Ontario. It was considered that farm labourers who left their families behind them, and other parties sending for farm labourers or female domestic servants should receive assistance. People risking their money in this way would not be apt to send for any but good settlers and such

as would be sure to remain in this Province. The same system that was in force in 1876 is continued in 1877; and applications are received at the Immigration Department, Toronto, from parties wishing to bring their friends from any part of the British Isles to Ontario. After the applications are accepted in Ontario, the Department attends to all further details and saves the applicants from all further trouble. It should be particularly noticed that the amount of bonus paid for farm labourers is one pound sterling, and that for female domestic servants one pound four shillings and eight pence. The Government secures free passes for them from Quebec to Ontario.

By a Member :—

Q. Is it the Local Government which does this?—The Local Government pays two-thirds of the fare and the Dominion Government one-third. The Ontario Government has an officer employed who convoys the immigrants from Montreal to Toronto, supplies them with provisions on the way, and distributes them at their various destinations. He brings the largest number of them to Toronto.

By a Member :—

Q. This is after they arrive at the boundary line?—This officer generally goes to the boundary line. The Dominion Government has also a travelling agent, and it is sometimes arranged that the Ontario officer may go a little farther down, so that the immigrants may be properly attended to. When the immigrants are left at their respective agencies, they are sent by free passes to those parts of the Province where their labour is required.

By the Chairman :—

Q. As a rule, these farm servants, I suppose, try to pick up land for themselves in the course of a year or two after their arrival, and obtain homesteads of their own?—The Department at Toronto advises them to work as farm labourers until they gain experience and accumulate a little capital. As a rule, after they are here for a few years, the industrious portion of them secure land for themselves. During the current year, especially, large numbers of recent immigrants have been making enquiries about the Free Grant lands, and I am led to believe that many of them are settling there.

Q. What are the average monthly wages for farm labourers and female domestic servants, and how many months in the year can such immigrants get ready employment?—The rate of wages depends on the locality and season of the year. During the harvest of 1866 there were instances of men getting as high as \$30 per month, with board, say for a period of two months; for periods of five to six months during the summer season, \$20 per month have been paid; the average wages per year would be about \$150 with board.

Q. What is the case with respect to female domestic servants?—In the city of Toronto female domestic servants get from \$5 to \$8 per month with board; some girls who are good cooks can readily obtain \$10 per month with board. Probably the average wages is about \$7 per month.

Q. And that continues all the year round?—Yes; there is no difficulty in obtaining employment at all seasons of the year for any number of female domestic servants of suitable age and good character, and who thoroughly understand household work. The great difficulty is to supply the demand.

By a Member :—

Q. Is the demand for females greater than for males?—I think so. We receive

applications from all parts of the country for female domestic servants, but the orders cannot at all times be supplied, as most of the girls are picked up in the principal centres of population as they arrive, although our policy is to distribute them as much as possible over the Province. Probably, on the whole, female domestic servants would do better in the country, but their inclination is to remain in the cities.

Q. Are improved farms in Ontario usually rented; if so, at what price per acre, or is it customary to let farms on shares; what proportion does the owner usually get?—This is done to some extent; but as a general rule farms are worked by the owners. The average rent in most districts in Ontario, for cleared land, would be about \$4 per acre. Farms could be obtained in many places for much less; but in the neighbourhood of cities and towns, rents would be much higher; probably \$6 per acre would be a fair average for lands so situated.

Q. What part of the country can \$4 per acre be obtained?—In parts of the counties of Bruce, Huron and Wellington.

Q. Don't you think that a rather high estimate?—

By a Member :—

It is high for my section of country.

By the Chairman :—

It is also high for my section:

By a Member :—

It is not too high for mine.

By the Chairman :—

Q. I know that \$2 per acre is not received for some of the farms?—Good land in the county of Bruce will not rent for that amount (\$4). Of course, this is for the cleared land; the bush land is given in.

Q. Near Walkerton?—In Annan, North Bruce.

By a Member :—

Q. Owners of land do not view very favourably the leasing of their farms; do they?—They do not, as a general rule; those who are in the prime of life prefer to work their own land; they are afraid of their farms being abused.

By a Member :—

Q. As a speculation it does not pay?—Lands that are offered for rent are generally owned by persons well up in years or in bad health.

By a Member :—

Q. Or by widows who cannot work them?—Yes. In reference to the taking of farms on shares, I may state that this is done in some instances, but it is the exception rather than the rule.

Q. Is it not generally the rule that land being so easily obtained people prefer to get land of their own?—That is the rule; when men accumulate a little capital

they prefer to secure land for themselves. When farms are taken on shares, the owner generally leaves the implements and stock on the farm at a valuation, to be returned after the expiration of the contract at the same value. The tenant supplies the seed and gives half the produce or outcome of the farm to the owner.

By the Chairman :—

Q. Is one-half about the usual share?—Yes, of stock and crop.

Q. What tracts of unsettled lands in the Province of Ontario require the construction of railroad to induce settlers?—I do not think that any portions of the territory laid out as free grant land absolutely require railways, in order to induce settlement; but there is no question that settlement would be much accelerated by the construction of railways into these districts. It is a question of acceleration rather than of absolute necessity.

By the Chairman :—

Q. And to finances as well?—Yes. As to the northern portions of these districts, say the Nipissing for instance, should a railway be built from French River to some point on the Ottawa River, as was proposed some time ago, and railways be extended from the frontier townships to tap it, there would be very little trouble experienced in settling that part of the country. I believe that settlers would rush in as fast as the railways were built.

*A Member :—*There is no doubt about that.

By the Chairman :—

Q. But as a rule the Free Grant Territory is easy of access either by water or by railway in the meantime?—In the meantime this is the case; the colonization roads are also to be taken into consideration.

Q. Could farms be purchased suitable for the tenant farmers of Great Britain, who are in possession of moderate means?—The price would depend much on the locality; such lands are to be found in different parts of the country, but it is difficult to say what number could be obtained in any particular district. When immigrants with means arrive, we advise them to work in some suitable part of the country and gain experience before they purchase. This will enable them to find out such lands as are for sale in their neighbourhood. The most of those men find lands to suit them. We advise immigrants with small means to go to the newer districts, and those with larger means, who wish to buy cleared land, to the older settlements. In some parts of the country a man with £200 sterling may secure a partially cleared farm.

By the Chairman :—

Q. In a new settlement?—Yes. In older parts of the country he would have to pay \$4,000 for such a farm. Of course in some of the best districts \$70 per acre would have to be paid. I believe that during the last year farms of 100 acres have been sold as high as \$10,000, but this price is exceptionable.

By a Member :—

Q. That depends entirely on the character of the buildings and of the improvements?—A man possessed of \$3,000 or \$4,000 may secure a very comfortable farm.

By the Chairman :—

Q. You have reference to free-hold farms, of course?—Yes. In the Free Grant Territories farms might be purchased from \$100 to \$200.

By a Member :—

Q. It is difficult to purchase a farm in the Free Grant District until the occupant fulfilled the conditions of settlement and obtained his patent?—Yes.

*A Member :—*Such occupants are not allowed to settle without special permission

By the Chairman :—

Q. Do you know anything about the mineral deposits of Ontario?—No.

Q. Can you state what pamphlets and other documents calculated to promote immigration are circulated by the Immigration Department?—I may explain that the Ontario Government leaves the general question of immigration to the Dominion Government, and that it confines its efforts to the bringing out such immigrants as are in special demand in Ontario. It publishes an immigration map with information on the back of it, which supplies the place of a pamphlet. The last edition was issued in 1875 for the immigration season of 1876. During that period 50,000 copies have been printed and circulated. Some more have been issued since, but I cannot state what number has been circulated.

*The Chairman :—*I think it is the desire of the Committee that there should be published a map of the Province of Ontario, if we could only get one of the ordinary size, and have a large number of them struck off.

By Mr. Horton :—

Q. Was the increase of settlers as much last year as usual?—It was a good deal larger than usual last year. In 1874, 119,070 acres were taken up in the Free Grant districts; in 1875, 186,087 acres, and in 1876, 192,857 acres, so that a very considerable increase has taken place.

By a Member :—

Q. Are those who avail themselves of the Free Grant system general immigrants?—As the immigrants, on their arrival, are distributed all over the Province and only move to the Free Grant Territory after they accumulate some capital, we have no means of getting the exact proportions.

By the Chairman :—

Q. I suppose that a large proportion of the settlers and of the squatters are Canadians?—Many of them undoubtedly are.

By a Member :—

Q. I was going to ask what average amount of capital follows those immigrants; do merchants, millers and others follow as in older sections, or do those who settle in free grants become merchants in their turn?—As settlements are made, merchants and others move in as in old settlements; water privileges are soon appropriated. I may state for instance that an immigrant from Switzerland went to the Township of Armour a few days ago, to take possession of a water privilege which his father found when in the Province last fall. When the old gentleman returned to Switzerland, he sent his son with eight other men ahead of him to the

Free Grant Territory. He has considerable means, and intends to build mills on the said site.

By a Member :—

Q. That township was only surveyed the winter before last?—It was not opened for settlement when the Swiss gentleman was here, but having taken a particular fancy to it, he resolved to squat in it.

Witness then read the following statement :—

"In the Township of Ryerson there are 45,000 acres of land over and above lakes and rivers, and, under the Settlers' Homestead Fund Act, the Government has cleared four or five acres of land, and built a log house on each of thirty-eight lots in that township, and on each of thirteen lots in Spence Township. Four acres of land have also been cleared on each of twenty-one lots in Ryerson Township, upon which the settlers built their own houses. Fifty-eight families have been located upon improved lots in the same township; 100 families on unimproved lots, and ten families on improved lots in Spence Township. In all about 32,000 acres have been thus settled during the last four years. The settlers have from ten to forty acres each cleared on their lots. There are three post offices and two schools within its limits. The settlers also enjoy the privilege of attending religious services. The settlement is a very promising one. The settlers for the most part have been residents of the Dominion for three or four years, or longer. The Government officials discourage as far as possible newly-arrived immigrants from settling on wild land, and very few of them do so until they have become familiar with the climate and the mode of clearing and farming."

This information is given by Mr. William Edwards, Secretary of the Public Works Department.

By Mr. Paterson :—

Q. Is there a falling away in the population of the townships or villages which have sprung up in these districts by the leaving of parties who have gone in there and who have found that the location did not answer their purpose?—A good many go in in that way, and leave the district, and I find that some who have so gone in and taken up lots have moved to other places in the district.

By the Chairman :—

Q. They had picked up better land I suppose?—I presume so.

By Mr. Paterson :—

Q. Do you find that a point has been reached in settlement that has not been maintained?—I find in the report of the Commissioner of Crown Lands a remark bearing upon that point.

Q. The point I want to get at is whether a point of prosperity has been reached which you have been unable to maintain?—I find that there have been instances of that kind, where several parties have taken up locations and moved away, but I notice that the Commissioner of Crown Lands states that these grants have been cancelled and handed over to other parties who located on the lots.

Q. This would still preserve the population?—I am not very clear on that point.

By a Member :—

Q. What Mr. Patterson wants to know is whether there has been any decrease in the population of villages or settlements in these districts?—I think not.

By Mr. Paterson :—

Q. There has been no retrograding in that respect?—Not that I am aware of. There have been cases of course where parties have taken up locations and left them, but wherever these lands have been good, they have been located to others.

*Mr. Paterson :—*That maintains the population.

By the Chairman :—

Q. Those who moved away were not likely the first pioneers who have gone to more favorable locations?—Sometimes people go out there at an unseasonable time of the year, and take up lots, and afterwards find that these lots are not good.

By a Member :—

Q. And then these persons may not be suited to the country?—Yes. Under such circumstances they very often leave.

Q. I think I have heard of a large number of Germans having settled there, and of most of them having left; do you know anything about that?—I do not.

FRIDAY, 23rd March, 1877.

MR. J. A. DONALDSON—GOVERNMENT IMMIGRATION AGENT.

PLACING AND WAGES OF IMMIGRANTS.

Mr. JOHN A. DONALDSON, Dominion Government Immigration Agent at Toronto appeared before the Committee.

By the Chairman :—

Q. Please state your name and the number of years' experience you have had as Immigration Agent?—John A. Donaldson; I have been an Immigration Agent for sixteen years—since 1861. I am in the employ of the Dominion Government, and I am located in Toronto.

Q. What is the nature of the engagement generally made with agricultural labourers?—On farms the engagements with agricultural labourers, in fact, extend for periods ranging from one month to all the year round; labourers' engagements are made according to the time farmers may want them.

Q. Do you find ready employment for them as a rule?—Yes, Sir.

Q. You have no difficulty in securing engagements for them?—No.

Q. They are in great demand?—Yes.

Q. Both males and females?—For both, Sir; we have never had so many of them in the Agency that we could not distribute them. In fact, while on this point I

may state that some two years ago the demand was so great that one man came from the neighbourhood of Clinton, 12 miles distant, and remained at the agency for a week or ten days to send up parties to his friends and neighbours, in order to get the hands required in that part of the country. We have Mr. Blain also; he is a contractor for drainage works; he sometimes comes to the Agency week after week to get hands for drainage work. The wages he pays vary from \$1 to \$1.25 a day, and the men can get board in the neighbourhood for \$3 a week. We have had also Mr. Miller, who is pretty well known as a cattle raiser at Pickering; he has made application for hands to work on his farm, which is very large. I merely mention these cases to show what the demand is.

Q. Do you get numerous applications asking for labourers?—Yes; we get quite a number; both personal and by letter.

Q. Are many of such labourers engaged for the summer only, and what proportion are so engaged?—The larger proportion are engaged for the summer only.

Q. That applies to the male portion?—Yes.

Q. Females are engaged for the whole year?—They are engaged by the month; the demand for them is always very great.

Q. What are the chances of agricultural labourers engaged for the summer of finding employment for the winter, and are there any considerable number who do not find employment?—This I look upon as the most important question which you have put so far. I find that any industrious man who intends to do well by his employer and who has been engaged on a farm for six months, has no difficulty in getting employment afterwards, either with his previous employer or with some one in that neighborhood, provided he will accept lower wages. We find farmers under such circumstances, willing to give \$8 or \$10 a month during the winter. This applies to such men as I describe as being good farm labourers,—and any ploughman is a good farm laborer—and who are competent to do man's work on a farm. I never find any difficulty with men who intend to do for themselves; of course there are characters that now and again we have to deal with who are not of this class. I wish to mention another matter. If any party of that description writes back to me and states that he has some difficulty in securing employment, I refer him to the Reeve of the Township in which he lives, and I tell the Reeve, that as the Government have been so liberal in furnishing free passes to these men, to send them to the locality for the benefit of their farmers during the summer, I feel that it is his duty to find employment for them during the winter. It is very seldom that I ever fail in obtaining a suitable response in that way.

Q. Is there enough of work on farms in the winter to employ all those immigrants only employed for the summer?—I do not think, that as a rule, there is a sufficient amount of work to employ all those men in winter.

Q. Are there other means in winter to get work at lower rates?—There is work to be had at lower wages; for instance, a very large amount of cordwood comes into Toronto both by the railways and by teams; in fact an immense quantity comes in by way of the Nipissing Line and the Toronto, Grey & Bruce Railway; I suppose that Gooderham & Worts themselves employ two or three hundred men during winter alone. We have no difficulty in sending men to these places if they are inclined to work. I am quite aware of the noise made about so many people being out of employment in winter, and making their way back to the cities and villages; but in point of fact the bulk of these men are not immigrants; they chiefly belong to the class called tramps, or idle men who go about the country depending on charity or what they may obtain from charitable institutions.

Q. A great many would not work if it was offered them?—A great many of them would not work if they had the opportunity. I will give an instance in point: Two or three days before I came down, two men, both able and strong, who had been out since last fall, came back and said that they could not find work; fortunately, on the very day after their arrival Mr. Porter came down from Trafalger to obtain men, and I sent for those two persons; one of them engaged with him for \$13 a month and board for nine months from that date; we had the greatest difficulty in inducing the man to go there, and we gave him a pass to Oakville, the nearest station, but I do not think that he went. I merely mention this to show with what characters we have sometimes to deal.

By the Chairman :—

Q. Has the supply of agricultural labourers at any time exceeded the demand?—No, Sir; we have never had too many of them at our Agency since I have had anything to do with it.

Q. And that is the class which comes under your notice as being chiefly wanted?—Yes; they are chiefly agricultural labourers for whom application is made.

Q. They are forwarded to your Agency?—Yes; with working men for other works, such as navvies, &c.

By a Member :—

Q. I suppose that these men can obtain employment on the public works in winter, on such works as canals?—A very great deal of employment is afforded them in Toronto. A good many men are taken to labour at the water works.

Q. During the winter?—Yes; they are also engaged on corporation works.

Q. Work was obtainable on the Lachine and Grenville canal works during the past winter?—Yes; also on the Welland canal. We sent a number there.

By the Chairman :—

Q. Could they work in winter on the Welland canal?—Quarrying is done during this season; a great deal of other work is also done in winter, but of course not so much as is done during summer.

Q. Do you suppose that, if a man is disposed to work, he can obtain it during winter, at a reasonable rate of wages?—I do. I am quite satisfied that farmers are prepared to take men on if they will only accept such wages as they can afford to give during the winter.

By Mr. Little :—

Q. Were there no immigrants who arrived in Toronto in 1875-6, who were unable to find work during the fall and winter? and if they were unable to find work how did they receive assistance—was it from the city or the corporation, or from your department?—We have had some cases of people coming back a second time, and of course we feel inclined to treat them all liberally. We never allow men to go away hungry.

Q. I am referring to the year 1875-6. What number of immigrants were relieved by the corporation during that year?—I cannot say.

Q. Were there none so aided?—I have no means of knowing whether that was the case or not.

Q. Are you not aware that during that year distress existed among immigrants who were unable to find work?—No, sir; if immigrants would take our advice when they come out, and go into the country, we very seldom find them come back again; but there are portions of them that will remain in the cities in spite of all the advice that we give them. Of course we cannot be held accountable for these persons afterwards, and the corporation may have had to take care of them. No doubt those were among the ones who were assisted.

Q. Did no immigrants return and state that they could not find work in the country?—Not if they were men who were disposed to work; I have not found any of this class making any such complaint.

Q. I know that in our county we were troubled with immigrants who had but recently come out, and who could not find work; and even if work could be found for them they asked such exorbitant wages that it was utterly impossible for farmers to employ them.

Witness:—Then in that case just let them go and they will soon come to time. This is just the class of men with whom it is so difficult to deal.

A Member:—And they degenerate into tramps?

Mr. Little:—Our county was filled with tramps.

A Member:—The country is over run with them.

Mr. Little:—I do not say that all the tramps were immigrants but I do think that a great proportion of them were newly arrived from Europe.

Witness:—If the Chairman would allow me I would ask Mr. Little if he is aware how many immigrants made application for aid at Bradford, just in his Riding?

Mr. Little:—All I can say in answer to that question is that the county of Simcoe last year provided \$5,000 for the relief of its poor.

Mr. Donaldson:—I do not doubt that.

Mr. Little:—A great number of these poor persons were those who could work who had had work at one time, and who could have laid by money, but who did not do so; and then they were thrown on our hands.

Mr. White (Hasting)—It is a shame for any County Council, entrusted with the people's money, to appropriate \$5,000 for the relief of tramps.

Mr. Little:—In many cases, women and children came and asked for assistance and we had to provide for them.

Chairman:—Have you any means of knowing whether these were immigrants? It is possible some of them may have perpetrated a fraud on you for the purpose of creating sympathy.

Mr. Little:—I say that the money was appropriated for the poor.

Chairman:—Yes; but you made it appear that those seeking relief were immigrants.

Mr. Little:—Some of them undoubtedly were immigrants.

Chairman:—What means have you of knowing?

Mr. Little:—From their own *ipse dixit*.

Chairman :—Are you not aware that they often put in that plea to obtain sympathy?

Mr. Little :—We know that very well, but we cannot see them want; we are obliged to aid them when they make application; very often we send them to Toronto, where they come from; and I wanted to ask Mr. Donaldson what number were thrown back on his hands.

Witness—I can't tell the number that were thrown back on our hands, but they were very few; when men come to us with stories of that kind we send them back to where they come from to ask for aid; if they do not go there we know nothing further about them. I have found one remedy, and a very permanent one, for that state of things; we stop all supplies and give no more meals, and these men then never come near us any more.

By Mr. Little :—

Q. You have no means of knowing what the City Fathers did for them?—I am not responsible for that.

Q. I suppose you are aware that a large number were assisted by the Corporation of Toronto?—A number of poor persons are always assisted by the Corporation during the winter season.

Mr. Little—Because there was no work for them.

Chairman—There are so many people in all countries who are so improvident that though they obtain good wages during the summer they make no provision for the winter.

By Mr. White (Hastings) :—

Q. Is any fault to be found with immigrant agents for sending men to the country as farm labourers who turn out not to be so?—No, Sir.

Mr. White—There is no use in finding fault with the agents for this; how can they tell who or what are those who ask for assistance to come to this country, or where they come from? I only blame members for finding fault with agents in this respect; I know from a little experience I have had that they are anxious to send out just the immigrants we want. Agents cannot help being deceived by imposters and there is no use finding fault with them for such results, as the mistake is not made intentionally.

Witness :—Some of Mr. Little's remarks were particularly applicable to that sort of thing. A man may come and represent himself to some agent at home as a farm-labourer, because he knows that a reduction of fare is allowed to this class. They cannot always get the real kind of men they want; but again, quite a number of people come on their own account into the country.

By Mr. White (Hastings) :—

Q. Do you know that the agents at Belfast, Dublin and in the South of Ireland live hundreds of miles apart, and that parties apply at these different places, about whom they know nothing, and that they are often imposed upon? Do you believe that this is the case?—They may be sometimes imposed on.

By the Chairman :—

Q. Please state the general rate of wages of engagements by the month for the summer only, and for the year, and what rate labourers engaged by the month in

summer will get in winter?—The average rate of wages is from \$16 to \$20 per month, with board, for six months of the year, and some men get more. In a statement of this kind, I invariably like to keep under the mark, if anything; I do not wish to let people who may see this statement come out here and tell us, "why, here is an official statement which you have made before the Immigration Committee," for instance, "but we cannot get the rate of wages mentioned in it," and therefore I am a little careful in keeping my statements within moderate bounds. Mr. Spence told you yesterday that from \$25 to \$30 a month was known to be paid farm labourers; I have known this to be done myself, but these are exceptional cases. The more usual rate of wages is from \$16 to \$20 per month, or from \$150 to \$200 per year, with board.

By a Member :—Does that statement refer altogether to farm-labourers?—Yes, Sir.

By a Member :—That is higher than is paid in our section of the country.

Witness :—I find that in various counties rates of wages differ.

Mr. White (Hastings) :—That is about the figure in our section.

Chairman :—From \$150 to \$200 a year are given to farm-labourers in our neighbourhood.

Witness :—I may state that at our office a very large portion of these people are taken away by the farmers themselves. We have the Township of York and the Township of Scarboro' near us, and farmers come from these places and from Pickering, and up in that neighbourhood, to obtain labourers. They come down and take them away with them, and I see them make their agreements very often in the office, and, consequently, I know what the rate of wages is. They make their bargains in our presence, and this is about the average run of wages they get—from \$150 to \$200 a year. It is quite possible that the rate may be a little lower this year, as the times are not so good as they have been. Very much will depend on the prospects of the present crop. I have been making enquiry through my division lately, and I find that farmers hesitate a little more in engaging labour than they have done in other years since the beginning of the general depression. They are waiting to see what will be the result of the weather on the winter wheat of the country. If the wheat escapes injury, and we are likely to have such a crop as present appearances make probable, times will be better. I suppose that the prospects were never better about this time of the year of the crops not being injured by the frost. I am just as satisfied as I ever was that we shall not have anything like the supply of farm labourers to meet the demand that will be made for them this year immediately after the first of April.

By the Chairman :—

Q. You have not stated to the Committee what wages farm labourers get during the winter months.—They obtain during the winter from \$8 to \$10 a month; that is, any man who chooses to work for that can do so. There is a great deal of work to be done about farmers' places during this season. A great many of the farms are pretty, large consisting of 200 acres, etc., and many of them are even a great deal more extensive than that; consequently there is a great deal of work to be done in taking care of stock, cutting wood, and doing "chores" generally, as it is called.

By Mr. Little :—

Q. What farmers give the rate of wages you have mentioned?—The farmers in the districts I have mentioned give it.

Q. \$10 a month?—from \$8 to \$10 a month.

Q. During the winter season?—Yes; there was Mr. Mulholland, who came and hired some men at our place at that rate a little time ago.

By the Chairman:—

Q. As respects other kinds of labourers besides agricultural or artizans, what is the demand?—The demand for artizans has been very small, I may say, although a fair share of carpenters, masons and bricklayers obtain employment, because the weather had been so very favourable that a great deal of work has been going on in Toronto during this season, and men can get employment there. Then there is also chopping to be done; if a man is anything of a good hand at the axe he can chop two cords of wood a day, and this at sixty cents a cord will make his wages about \$1.20 a day, and he can get board at \$3 a week. There is also a great deal of work to be done about sawmills and the timber regions; there is a good deal of employment to be got of that kind in the country generally.

By the Chairman:—

Q. Do you think men would have no difficulty in cutting two cords of hardwood a day?—No; in the bush no trouble at all would be found in doing it; it is considered a good day's work, and farmers expect them to do it.

Q. Can you give the Committee any information respecting purchases of farms by immigrants in Ontario, and state the general prices?—Yes; I know of quite a number of immigrants who have purchased farms in Ontario; the prices vary of course, according to location and quality of the land and the improvements made on it. A great many of them have purchased farms to my knowledge, during the years that I have been employed in my present position. The prices vary according to the kind of farm they want; I have known a great many farms sold there at \$40 an acre, \$45 and \$50 an acre, and some as high as \$60 an acre.

By the Chairman:—

Q. That is an improved farm with good substantial buildings on it?—Improved farms with good substantial buildings on them bring that price; but farms in the County of Simcoe in Mr. Little's part of the country, could be got cheaper; they would probably bring from \$25 to \$30 an acre; I think less of the land is cleared in that section. I have been speaking of ordinary farms of one hundred acres, with seventy-five or eighty cleared, and with good barns on them, and perhaps an orchard. There are quite a number of farms for sale just now; I keep a register of them. We ask farmers to send us word when they wish to sell, and I suppose that the list of farms for sale on the books numbers from fifty to sixty. We take all the particulars, and have seen most of the farms ourselves; the prices are \$40, \$45 and \$60 an acre.

By a Member:—

Q. What counties have you reference to?—I allude to the Counties of York Ontario, and adjoining counties in my division, about the City of Toronto. I may tell you that the work of the agents is divided. My division lies along the Grand Trunk Railway, as far as Wellington Square, to the west, taking in the Northern Railway, the Nipissing Railway, and part of the Toronto, Grey & Bruce Railway. Of course the agent at Hamilton takes in the Great Western Railway in his division. We have another agent at London, and his division takes in the territory beyond that city. Of course, I cannot answer for them; I can only speak concerning the counties around Toronto.

By the Chairman :—

Q. Cannot immigrants procure a comfortable farm and home, with a little improvement on it, in the newly-settled parts of the country, for \$1,000 or £200 sterling?—Certainly.

Q. Are there many such places, to your knowledge, that can be procured?—I think that they can be found, for instance, in Orillia, and in that section of the country farms can be got with some improvements on them.

Q. Farms of one hundred acres, with twenty acres improved?—Yes; I know of a farm within a mile of the village of Orillia, that has no improvements on it, that can be had for about \$1,500.

By a Member :—

Q. Orillia is now a town?—Yes.

Q. Do you think that such farms would suit tenant-farmers coming over from the Old Country—I mean farms in such a rough state?

*The Chairman :—*It might suit those with very small means, especially if they had a family of young men to improve it.

*By Mr. Farrow :—*I thought that you would get information calculated to bring out tenant-farmers who had considerable capital, in order that they might take hold of farms worth about \$4,000 or \$5,000, and probably \$6,000, pay one-half down, get time for the rest. I think that class would suit Canada better than the other.

*Chairman :—*But there are classes, of tenant-farmers who are not possessed of so much means.

*Mr. Farrow :—*There are a great many tenant-farmers in the Old Country just now who are possessed of considerable means.

By the Chairman :—

Q. What are the chief difficulties experienced by European immigrants who come to this country who are desirous of setting on lands?—I suppose the chief difficulty is the want of capital and experience.

By a Member :—

Q. I supposed you avoided inexperience. I understood you to say that you always advised them to work for a year or two on farms if possible?—I do always.

*By a Member :—*I think that is a very good idea.

*Witness :—*We never allow men to go to the Free Grant Settlement immediately after their arrival in the country, if we can avoid it. We advise them, under such circumstances, to spend a year, and often more than that, on farms in the front, in order that they may obtain experience.

*By a Member :—*I think that is a very good principle.

*Witness :—*That is done before we allow them to venture into the Free Grant Districts.

By a Member :—

Q. Do you ever find headstrong people, who will not be advised?—Very frequently that is the case; they come to us for advice and we find afterwards that they have not taken it.

By a Member—I have given such advice myself and it has not been followed.

Witness—In fact a strong feeling exists on the part of every immigrant coming into the country to get hold of land and to get on it as soon as possible. In fact, we have difficulty in preventing people acting in that way very often, but I know they have no chance at all, very frequently, if they do so.

By the Chairman :—

Q. Have you had occasion recently of visiting the Free Grant settlements: if so, what are their prospects and present position? What kinds of timber did you observe in those settlements?—I took a short trip through the district last summer. Two gentlemen came out from England, and I was instructed to take them up and show them the Free Grant section. One of them was the London correspondent of the *Globe*, and the other was a gentleman belonging to the press. I took them up as far as the head of Lake Rousseau. On our way back we came in the vicinity of an agricultural show, which was being held at a distance of some two miles from the lake. Captain Cockburn stopped the boat and let us off, and I took them up to the exhibition, which was for the township. They saw the agricultural products of the neighbourhood and they expressed themselves wonderfully delighted at the success of the farmers of that district. They expressed themselves highly pleased with the prospects of that section of the country. We heard no complaints from the parties of whom we made enquiry, and quite a number attended this agricultural exhibition, as is always the case. We asked them how they were getting on, and some said they had had a good deal of trouble and had had to do a great deal of hard work to get along with small means; but, as a general rule, no complaints were made other than those one might hear in any new country.

By the Chairman :—

Q. What was said with regard to timber, grain, corn, cattle, etc.?—There was quite a number of stock and oxen there, but there was no stock for sale on exhibition. They looked just as well as cattle in any other part of the country. I might also mention, while speaking of stock in a new settlement, this circumstance: there was a gentleman who came out from England four or five years ago, or longer, and who was unfortunately drowned the other day in Muskoka. He was one of the most active settlers, I suppose, that we had in the country for a short time. He had a little means, some £300, and he started business as a butcher. He afterwards became a drover and he bought cattle all through the country, and he knew everything about this sort of business. He told me he was surprised how quickly the cattle became fat. This took place at least two weeks sooner than in any of the front townships. He gave as his reason for this, that water was plentiful while the cattle had an abundance of shelter. The grasses of that section were also of a very nutritious nature. With respect to the timber it is like all our wood, in great variety. There is beech, maple and some very fine pine. When I was at Parry Sound a few years ago I saw trees of this kind which produced logs without a knot of any kind in them. I look upon the timber as most valuable, and the extension of the road to Gravenhurst now enables people to get it down. I understand there are no less than eight saw mills at Gravenhurst already. Although a year ago there was only one and that very small, there are now eight established on the most improved principle. We went through them and we were astonished. He never saw anything like the mode they have of taking out logs, and four or five good logs at that, with a common bull chain, in their mills. The quality of the timber is just as you see it in our own woods. It varies in character. There is both hard and soft wood.

By the Chairman :—

Q. What is your opinion of the possibility of raising corn in the Free Grant

section?—Some seasons it succeeds; I do not know how many bushels can be produced to the acre, but I think that the quality is quite equal to our own.

Q. Are summer frosts prevalent?—With respect to summer frosts, I think they told me that the reason why they don't suffer so much from them is that the snow falls pretty early and covers up the ground before the frost gets deep into the soil, and I have been told that people living there have left potatoes in the ground all winter and taken them out in the spring without their having sustained any injury, but of course that is not common; it simply shows that the crops are not injured by frost.

By a Member :—

Q. Have you any knowledge of summer frosts having killed the crops?—Yes; I have heard them complain of it.

Q. There is some complaint of that?—Yes.

Q. Indian corn could not be raised if the crop was subject to such frost?—There is not much Indian corn raised there.

By the Chairman :—

Q. Do you know of any emigration from the Province of Ontario to other parts of the Dominion, and to what parts?—Yes, Sir; we have almost constantly people going from Ontario to Manitoba; and, when last spring opened, quite a number went from the more settled parts of Ontario into the Free Grant Districts.

Q. Are the Free Grant Districts of Ontario well watered and adapted for stock raising or dairy?—I suppose that there are no better watered tracts in the Dominion than are the Free Grant Districts; that was the reason Mr. Long gave for cattle fattening so much quicker there than on the front.

Q. What specimens of fish are caught in the lakes and rivers?—They include salmon trout, white fish, maskinonge, black bass; very often speckled trout, pickerel, and a number of others.

Q. Do any parties make a business of catching these fish?—Yes; there is a fish company established at Collingwood, and there are also fish companies at Toronto. There is an ample supply brought into the markets of the country. In addition to this, in the Free Grant District there are deer and partridge in abundance.

Q. So an immigrant just newly arrived, if he reaches the country early enough, can raise a few roots during the first season, and obtain fish enough for his own use?—I think that one, Mr. Cameron, caught four hundred weight of bass in one day, or during part of a day, near Bracebridge. The Mr. Long I have mentioned and he were together. I have fished in that district myself and I have found the fish to be very plentiful.

By the Chairman :—

Q. Have you had any difficulty in locating agricultural labourers and female domestic servants forwarded to your Agency during your term of office, and is it your opinion that a large number of that class of immigrants could get ready employment the ensuing season?—Yes; that is my opinion.

Q. Have you heretofore had any difficulty in locating them?—None whatever.

Q. You have had no trouble in disposing of them satisfactorily?—None whatever. We have distributed from the office three or four hundred a day; I have booked as many as three hundred a day; our books will show that this is the case.

Q. Have you reason to believe that this will also be the case during the ensuing season?—Yes, Sir; I am only afraid that we shall not have the number that will be required during the season. I may mention, for the information of gentlemen who may not have seen or who know nothing about our premises, that we have, I suppose, the best accommodation that can possibly be had for immigrants. We can accommodate fifteen hundred people, and we have furnished meals daily for twelve hundred Mennonites, without inconvenience. We have a pretty good system. We have a telegraph operator in the office, and can order trains to go to any part of the country; every facility in this respect is given us by the railway companies.

By a Member :—

Q. The trains stop right at the door?—Yes; we have three lines in front of us, and the Great Western on the south. We have no trouble in obtaining them, and parties are delayed no longer than is absolutely necessary. When any immigrants come in, no matter what the hour may be, even if at two or three o'clock in the morning, a hot meal is waiting for them. We know exactly when they are going to arrive, and we prepare for them. We receive notice of their approaching arrival, by telegraph, and every possible care is taken to attend to them. We have an official who travels with them after they leave Quebec or Portland. We have a good staff. Immigrants are supplied with wholesome provisions, and they get plenty of them; we never allow anybody to go away without having enough to eat.

By the Chairman :—

Q. Does an interpreter accompany foreigners?—Yes; they are accompanied by an interpreter who talks different languages.

Q. Does one come with them from Rivière du Loup, or from their landing place, as a rule?—Yes; Mr. Anderson comes with them from Quebec; he has been on the road for a long time as interpreter; he speaks German, French and English. We have also a man in the office for the same purpose; he went out with the Swiss immigrants who came the other day. We sent instructions that he was to stay with them until they got houses up; he was also to show them how to get logs out, etc. It is a little early in the season, however, for immigrants to go out there.

Q. You have mingled a good deal with settlers, and you have been through the various settlements in the Free Grant District; how long is it necessary to feed and keep stock under shelter in that section; a great portion of the old country immigrants are most anxious to know something about the duration of our winter months?—Of course, seasons vary. For instance, this winter has been very open, as a general rule; February was almost like a summer month. I think that it would be very safe to count on five out of the twelve months, during which it would be necessary to feed stock.

By a Member :—

Q. Not more?—Sometimes for six months; it would be within five or six months. I am sure that some of the gentlemen around the table have even a better knowledge as to what the feeding period is than I myself, they being practical farmers.

By the Chairman :—

Q. Is there better feeding in the new settlements than in the old?—Yes: there is a good deal of browsing; that is, cattle feeding on the tops of trees which have been cut for clearing purposes, to be had in the new settlements, and there are very large quantities of hay up there.

Q. And the country is more sheltered than the older settled parts?—Yes.

A Member :—In Wilcox Township the season is two weeks earlier than in the County of Grey.

The Chairman :—I think that in new settlements where the cattle are not exposed so much to storms as elsewhere, they are much warmer, and cattle can stay out and feed much longer in the fall under these circumstances.

Mr. Little :—The woods themselves afford shelter for cattle.

By a Member :—

Q. I wish to ask Mr. Donaldson about the class of immigrants which is required in my section of the country. We find it very difficult to get them, that is, people who are competent to take care of stock and who understand dairying?—We have a great many applications for parties of that class.

Member :—It is almost impossible to secure that class at all.

Witness :—It is difficult to get them; they are scarce. We do not secure as large a proportion of immigrants who understand stock-keeping as we require.

By a Member :—

Q. Would it be possible to induce such a class to come over from the old country?—I think it would be possible if we were to make a special thing of it. I think that it will be necessary now to do so, because our farmers are going into stock raising very generally, and to some extent a great deal more than has been the case heretofore. These men would, in fact, get higher wages than almost any other class of immigrants.

Q. Do you think that our native population fully understand that branch of farming, such as the proper feeding of and caring for stock, and all that?—I may mention that when a man who understands this department of farming comes my way I often send him to Mr. Brown, because he employs forty or fifty men of that class at Bow Park. If we find men who understand stock well, he gives them employment. He very often sends to the office for them in order to keep up his staff, because he gets a great many from us. We have furnished him with hands, I suppose, since he started Bow Park.

By Mr. Christie :—I would like to enquire whether you do not think that intelligent and industrious mechanics are not likely to make successful farmers. I ask the question for this reason: as far as possible mechanics and artisans are being discouraged from coming to this country, and, as a matter of fact, I know that in my own county some of our most successful farmers were originally mechanics; some of them came from the city of Glasgow; others were weavers from Paisley, and others came from other parts, but they were now among our most successful and wealthy farmers. I wish to ascertain whether your experience does not coincide with mine?

Witness :—Which is your county?

Mr. Christie :—Argenteuil, in the Province of Quebec.

Witness :—With respect to weavers, I do not think we have a more successful class of men in the country than the Paisley weavers, who came out about the time I did, almost forty years ago, and who settled near Guelph; they are about the wealthiest farmers in that section of the country, and they fortunately settled down in a very fine location—on the very best land in that quarter.

By the Chairman :—

Q. On the Paisley Block?—Yes; eight to ten miles out of Guelph; a gentleman came down from Guelph the other day, and I happened to be in Mr. Howland's office when he was there. The question came up about the men for whom he loaned money, and he said, he let out money for none but farmers. I think he mentioned the fact that one farmer, who came out to this country 22 years ago, with \$2,000, was very prosperous and well-to-do, having \$100,000 out at interest. He said that he let money out for farmers around Guelph, and that he would not do business for any one else. He stated that he is making a very handsome living out of it. This raises a very interesting question for immigrants. I have no doubt that, in very many instances, mechanics who have come to this country and settled on farms have been very successful; they are very ingenious, and when they apply themselves to farming are likely to succeed.

*The Chairman :—*The Paisley weavers, as a class, are better informed than almost any other class of immigrants that have come to this country.

*Mr. Bain—*I would like to say a word on that point; I have had a good deal of experience with regard to the class of artizans which have come during the past few years to this country; and while I agree with my friend, Mr. Christie, as to the success achieved by mechanics and artizans that came out to this country twenty years ago, I would just remind him that the class of men who have come out during the last half dozen years are no more like the same men who came out at the time mentioned, with regard to capacity, than day is like night, for the simple reason that the continued advent of capital in the shape of improved machinery in the old country has reduced these men almost to the position of machines. They come out here and pretend to be mechanics and what not, but when you begin to ask what they can do, you find that perhaps their whole time has been occupied in placing a little piece of plate under a drill and getting a hole punched in it; they call themselves mechanics, but they do not seem to be of any use after they get away from the particular machinery to which they have been accustomed. They do not possess the same fertility of ideas as the men who were trained to do everything necessary in their own line; the consequence is they are utterly helpless when they go away from the particular branch with which they are acquainted. I remember our gaoler, who was once a mechanic himself, and who is a very intelligent man, remarking that it seemed to be utterly impossible to get anything at all into the heads of that class of men; he stated that he had the greatest difficulty to get along with this class when they unfortunately came under his hands as part of our criminal population.

*By a Member :—*I find the same difficulty with the agricultural labourers who come from the old country; they are trained to a certain line of business—a great many of them are ditchers and ploughmen.

By the Chairman :—

Q. What is the condition of the East of London men who were brought to this country a few years ago?—Well, they were considered just the worst class of men that could come to the country or that was ever sent here; they were a class which was quite unsuited to the country, but there was such a demand for labour at the time that they obtained employment. It has always been a marvel to me how they got settled. We sent them out in small lots to different parts of the country, and distributed them in the best way that was possible; they all, however, fell on their feet, and a good many of them have become successful. We have heard but little of them since, but they must have succeeded to a greater or less extent. A more unsuitable class could not have been sent to Canada; in fact, they were brought out by various charitable institutions which we established at home. Some gentlemen came with them to assist them; but had it not been for the breaking out of the

Franco-German war at the time which absorbed that class of people, the Government, in all probability, would have had to put their foot down and prevented them coming out to this country any longer.

Q. Could you state to the Committee your experience with respect to the success or otherwise of the children brought out to this country from time to time by Miss Rye and Miss McPherson?—I made an inspection of my district, and, in fact, of the district in which the children brought out by Miss Rye were distributed.

Q. From what place were they distributed?—From the Home at Niagara. I visited the different places where the children were placed, and, with a few exceptions, I found them all comfortably located. I look upon the system as being a great blessing to the children. It is a work that was well worthy of the praise bestowed upon the ladies who were the means of performing it. The children were given comfortable homes, and they were well provided for. I took the statements of the farmers themselves, and of the farmers' wives with whom they were placed.

By a Member :—

Q. Most of them were adopted, were they not?—A good many of them were. The children looked well cared for, well dressed, and well fed; and, in many cases, they were being taught music, and other accomplishments of that kind.

By a Member :—

Q. Did you talk to the children themselves?—I did, of course. We heard complaints in cases, perhaps, where the woman of the house or the lady who had charge of the child was too exacting, or something of that kind; or of using severity towards the children. I took an opportunity to talk to these persons about it, and, if necessary, I removed the child altogether. One case occurred in Chatham. A farmer who lived near there had got one of Miss Rye's boys, and it happened that on the very evening I went to Chatham a man named Dawes came back from the station and brought with him a little boy about ten years of age, with his feet badly frozen. He stated that he had picked him up, and was going to take him back to Miss Rye's Home at Niagara, but had missed the train. I thought that the case was a very cruel one. I sent for a doctor, and had the boy properly attended to. The next morning I went before the Police Magistrate and lodged a complaint. I was not able to remain long enough to have the matter attended to before the Court, but a gentleman who was there took the matter in hand. The child was well cared for, and the doctor attended him until he was well. The boy's feet were badly frozen. I saw them myself, and I had them examined. The man was brought up and fined £20 and costs. This money has been placed at the credit of the child at interest, and will so remain until he becomes of age. The boy was removed to another farm. This is one instance, and there have been cases of a similar character, but, on the whole, the children were well cared for, and had been given good homes. The plan is a good one. I was more particular in my enquiries, owing to the report which was made by Mr. Doyle on this subject. In cases where it was necessary to have an investigation I prosecuted it, and we found that, on the whole, the children were well cared for, and well placed. It is a great blessing to them.

By a Member :—

Q. Were the parties who had the children aware of your intended visit?—No, Sir; they had no chance of knowing it. They knew nothing at all about my visit before it took place.

By the Chairman :—

Q. Do you think that immigrants of that class are desirable?—Yes, I do.

Q. Is the venture a success?—In a great many instances enquiries were made as to when Miss Rye was coming out again, as neighbours wanted to get children of this class. I have always thought that some of our ladies in Toronto might take up that question, as we have a good number of children, both boys and girls, in the city of Toronto, who are worth looking after. I dare say that this is the case in all large towns, but somehow or other nothing is done here; but these ladies bring them out to this country and experience no trouble in distributing them, strangers as they are. Of course our own people, if they took the matter up, would be more likely to succeed in placing such children in satisfactory positions.

Mr. Aylmer:—I fancy such boys are in all our large towns. I sent four last week to different parties, and I could get more to send away in a similar manner.

By Mr. Patterson:—

Q. I would like to put you the same question that I proposed yesterday to Mr. Spence; that is, whether there has been any decrease in the population of any of the settlements or villages in the Free Grant Districts?—I am not aware of any decrease. I have been quite surprised myself, since this enquiry came up, to find out what a large number of settlers are in that section at the present time. I was not previously quite satisfied that there were so many.

By Mr. Bain:—

Q. I suppose that you have some official mode of tracing men who go into that section?—I had not been in the District for two years previous to my last visit.

Q. But you have been there several times?—Yes.

Q. Were you satisfied with what you observed?—Yes; in fact to see the improvements which had been made there, under the disadvantages with which people of small means going in there had to contend with, I think that they have done wonders.

By Mr. Paterson:—

Q. You have reason to believe that successful settlements have been effected there?—I am quite satisfied about that, and I think that the prospects which are now before the settlers are brighter than they ever were before: they can make use of the timber which could not be done before. Large quantities of timber are brought down in the shape of logs.

Q. That affords profitable employment during the winter?—Yes, sir.

A Member:—There is plenty of such employment for those who understand the work, but old country immigrants are not much used to working in the woods.

By the Chairman:—

Q. Do you know of any assistance given by prominent and benevolent individuals in sending out immigrants to this country after their arrival here; is there a certain number of that class who might be seeking employment during the winter?—I think that we see most of the people that come out to this country as immigrants. Lady Herbert sent a good many out, and various societies have also sent persons out; but I think that we see the most of them.

By a Member:—

Q. I suppose that the passenger return system brings most of them under your notice?—Yes; we have the means of tracing all these persons.

Q. All that these societies have anything to do with?—Yes.

The Chairman :—I do not know; but on the floor of the House it was stated that a large number of immigrants were brought out to this country who were seeking employment but could not obtain it, and that they were now under the necessity of starving.

A Member :—It was said that people were willing to work but could not get work. This was the only reason why we were anxious to send for the witness.

Mr. Donaldson :—I have endeavoured to find this out as nearly as was possible. I saw that the Council of the county in which I lived myself, for a long time before I went to Toronto, and in which I still own some property, had granted a sum of money for charitable purposes; I wrote to the Clerk of the county asking for information as to the amount; I forget at the moment what this is. Had I thought it necessary I would have brought it with me; I suppose, however, that in the whole course of the year it was probably \$500 or \$600. I wrote back to enquire what portion of the people who had received charity were immigrants, and received, in reply, the names of the parties. Out of the whole number of names I obtained I do not think there were really those of half a dozen immigrants. This is the mistake made by people in putting all the blame on immigrants. Tramps are going about the country, but nine out of ten of them are not immigrants, either of this year or of last year or of the year before.

A Member :—Simcoe County, which has been mentioned, is a large county; it is almost a Province in itself.

Witness :—There are several towns in it, and there are eight or ten families by the name of Stoddard who have extensive farms in the county. They are stock-breeders and we send them a great many hands. We do send a great many immigrants into the County of Simcoe, and we have over and over again received letters complaining that we have not sufficiently supplied the different districts of the country.

Mr. Love :—The essential points at issue is, whether work can be found in the winter for those immigrants who only obtain summer engagements. The great fact to establish is, whether there is work at reduced wages to be got by these people.

Mr. Donaldson :—All I can say is that farmers come in and complain that the men will not work for reasonable wages in winter.

Mr. Bain :—I will state another element which has not been taken into account in considering this question. A farmer may have a good, desirable man for some three or four years, just such a man as he would gladly furnish with a house if he could keep him on his place. But a man of that kind takes care of his earnings and, as we have a large quantity of cheap land easy of access, he goes off, and, in turn, becomes an employer of labour in a few years. These men have to be replaced by others. The fact that there is a large quantity of accessible land to be had at reasonable rates, perpetually withdraws from our farms a class of agricultural labourers we would gladly keep. There is no doubt that this difficulty exists. There is not on our farms in winter time the same amount of labour to be done as is the case on farms in the old country. I have observed this in my own locality. As a rule, however, as *Mr. Donaldson* says, few such men are willing to work at reduced rates. There is generally sufficient labour of various kinds on our farms to keep them employed during the winter months and to prevent them from being thoroughly idle. If they are careful, in a few years they will be able to go off and start for themselves.

Mr. Lowe :—Yes; but the essential point to establish for the information of immigrants is as to winter employment of those who have only made summer engagements.

Mr. Bain :—I will tell you one thing, if immigrants left the old country and came here with the idea of pursuing farm engagements from year to year, and of making it their life-long occupation, then, I dare say, that in some cases difficulty would exist; but we generally find an inherent desire shown by many farm laborers and even mechanics, to become possessed of a piece of soil of their own. This is also a disturbing element to be taken into consideration in this regard.

Mr. Lowe :—Mr. Wills, who is in charge of the agency in this city, makes engagements for immigrants for the summer months only with great reluctance, because he has found that when he makes that kind of engagement in this district, the immigrants will probably come to the town during winter, and, under such circumstances, there is difficulty found in dealing with them and in obtaining employment for them.

Mr. Bain :—I have no doubt that circumstances vary in different localities.

Witness :—This is not such a farming district as are other parts of Ontario, it is more of a lumbering district. I may also mention that we are advised that we are likely to have a large number of buyers over from the old country to purchase horses at Toronto during this season. Mr. Dyke, our agent at Liverpool, has written me to say that some thirty or forty buyers will likely come over.

By the Chairman :—

Q. To purchase for the English market?—Yes. I look upon this as a great means for distributing useful information about this country. We intend to take care that the men who come over for this purpose are furnished with suitable pamphlets to take back with them. We will ask them to look at the country as they go about to pick up horses. I think that their visit will be of immense service to us, and not only that, but I believe that when these men proceed through the country and see what a chance industrious men have had, they will themselves become settlers.

Mr. Lowe :—The sale of horses at Toronto is advertised at Liverpool, and special rates are to be given by the steamship companies for return passages for the advantage of intending buyers.

By a Member :—

Q. May I ask, in connection with this subject, whether you can give any information as to the class of horses that are likely to be in demand among these buyers?—I saw two loads go out the other day; one of the buyers had taken what offered, but the other had been over here before and had had experience; his class was what a man would call good styles of carriage horses; they were of a breed between the heavy kind and the bloods.

Witness :—They were roadsters suitable to be used for carriage purposes.

Q. What was their heft?—Their weight was between eleven hundred and twelve hundred pounds, and I think that none of them were less than sixteen hands high; the other buyer had had less experience, and he had picked out block horses—the sort you call a strong good block horse, such as experience shows, are a good class for teaming.

A Member :—Still I see that the business is brisk; a party from my township shipped fifteen the other day, and five toppled over immediately on reaching the steamship.

Witness :—Mr. Pattison, of the *Mail*, lost two of his fancy horses when taking them over; he had bought a span of horses—one of them Jack the Barber—both over sixteen hands high, and he paid \$500 for them; the largest one of the two broke away from the stall and they were obliged to throw them overboard; they had suffered various injuries, and they would have died if left there.

By Mr Paterson :—

Q. Can they not insure these horses at reasonable rates?—I do not understand exactly how they insure them; but I do not think that they can effect anything but insurance recoverable in case of the loss of the vessel; I think they cannot insure against loss suffered on the vessel merely in passage.

By the Chairman :—

Q. Do you expect any demand for cattle for the English market?—Yes; there will be an immense demand for cattle.

By Mr. Paterson :—

Q. Will these cattle be taken over alive, or in the shape of meat prepared for the market?—I think prepared meat will be taken over principally, as they have succeeded so well in this undertaking hitherto. I may tell you that in our own market latterly parties in Toronto have largely engaged in the business, and one of the buyers took over a cargo of beef for the English market.

By a Member :—

Q. From the information you have obtained do you think that if our farmers go in and raise horses and cattle for the English market, this will prove a profitable enterprise?—I do; I think that a great point that will be accomplished will be this: farmers, instead of killing their calves, or selling them when young, as is done by a great number of them, and keeping only a certain number, five or six, for stock, will take an opposite course and raise them for the market. This demand is likely to continue and to increase, and there will not be a sufficient supply by and by, unless the farmers take steps to meet it.

A Member :—It strikes me that this will open up a new branch of industry which will require special labour in the winter.

Mr. Bain :—I was going to remark that, in connection with this subject, there comes up a very material fact touching the question of labour during the winter months. If it be a fact that farmers will be justified in raising horses and cattle for the English market, then it follows, as a natural consequence, that this will require additional labour, and labour of a kind that will be needed during the winter.

A Member :—It will require special feeding—a great deal of stall feeding.

Witness :—I think that another great advantage will flow from this demand. Farmers under these circumstances will graze more, and this will help to bring up the character of the land again. I find that in the neighbourhood of the cheese factories which were started at Ingersoll, Belleville and other places, land which previous and about the time that these factories commenced operations would have brought only \$40 an acre, is worth to-day \$60, and will sell readily at this price. I

morely mention this fact in order to show what grazing will do to bring up the character of the land, as you are aware a great deal of land has been exhausted by the raising of continuous crops of wheat.

By Mr Paterson :—

Q. Reference has been made to a remark made by Mr. Pattison?—Yes.

Q. He is personally engaged in this business?—He has taken over quite a number of horses to England.

Q. And he is greatly impressed with the chances of success in this relation?—He has a farm near Ingersoll.

Q. He is firmly impressed with the idea that it will be a success?—Just so; I had quite a long talk with him about it, and I was very glad to have had such an opportunity. I was very anxious to find out everything possible about the shipment of these horses, and I do hope that the competition among the steamboats will bring the rate down somewhat; the present rate charged for the shipment of horses is pretty high.

*The Chairman :—*Boats must be fitted up expressly for the purpose.

By Mr. Paterson :—

Q. I suppose that, as a rule, very fair prices are now obtained for horses?—Good prices are secured for horses and for meat as well; in fact, the trade which has thus been opened up has raised the price of meat with us already, to some extent at least, in the city of Toronto.

*Mr. Lowe :—*And it has appreciably lowered the price of meat with the stock-raisers of the three Kingdoms, as appears from the reports.

By Mr. Paterson :—

Q. Your impression is that a vast increase of cattle in our midst would not succeed in depreciating the price on the English market, so great will be the demand, and that farmers can sell without trouble the stock they hold and far more?—I think the prospects bid fair that this will be the case. All the cattle in Canada at the present time would not do it if they were placed on the English market.

*A Member :—*The increased price will do more to stimulate the raising of cattle to supply the demand than anything else.

*Mr. Paterson :—*The point is whether, if farmers went into stock-raising largely, the fact of their doing so will depreciate the price.

*A Member :—*As soon as the figure advances for meat this will stimulate the production, and nothing else will draw farmers into it.

*Mr. Paterson :—*But when the advance is established is there reason to hope that it will be maintained in spite of the largely increased production on their part?

*A Member :—*They must take their chance the same as they do with wheat and barley.

Mr. Lowe stated in answer to a reference to him: as far as regards any present possible supply from Canada, this cannot affect the English market, owing to the limited extent of our farming means, and the limited number of horned cattle we

possess. The only question to be considered relates to competition from the South-west. Can we compete with the immense ranches on the plains of Texas and with other parts of the continent? I do not think that it is quite settled what the effect of this competition will be. This is the only thing I see in the way of the continued success of the enterprise.

By a Member:—How do you form an opinion that it is impossible to overstock the English market—do you think that the lowered price will increase the consumption so much?

Mr. Lowe:—I do not say that it is impossible to overstock the English market with the enormous supplies which may be obtained from the Western and South-Western plains of North America, and possible supplies from South America. I only say that, with the present limited farming means of Canada, and with the limited number of cattle which are at present in Canada, we cannot do it. I have before stated that the last census established that the number of horned cattle in the four old Provinces of Canada, in 1871, was in round numbers, two millions and a half, and the number killed or sold that year about half a million. Canada must have its own needs supplied, and the possible total surplus from such a stock cannot glut the English market.

By the Chairman to Witness:—

Q. What amount of money ought an immigrant have for settlement in the Free Grant District?—I should say that he should have from \$600 to \$1,000.

By Mr. Paterson.—

Q. I should like to ask a question, to bring out information, as to the education and religious privileges which are to be enjoyed in the Free Grant District. This is quite an important point. It is desirable to know whether these advantages are, in proportion to population and circumstances, equal to those enjoyed in other parts of the country?—I think that Mr. Cockburn would be more competent to furnish that information than myself.

Mr. Cockburn:—The school system in the Free Grant district is almost perfect. The Ontario Government have made a provision, and a very wise provision, under which the school system can be carried on even in places which do not possess municipal institutions. Parties can meet together and appoint trustees, and assess even in townships where there is no municipal organization. A very large sum of money has been contributed for this purpose from the Educational Department; it is called the Poor School Fund.

By the Chairman, and answered by Mr. Cockburn:—

Q. Is it taken out of the general School Fund?—Yes; and school rates can be levied in any settlement, whether it is organized or not. Schools are universally diffused over this section of the country. As for religious instruction, it is also very universal. The settlers are a very law-abiding and sabbath-observing people, and a very moral people. The Methodist Church, I suppose, keep, in Muskoka and Parry Sound, something like six or eight missionaries or students; the Presbyterians have about half a dozen, and the Episcopal Church three or four. The Methodists, however, are leading in the van in this respect.

Mr. Paterson:—On that point the country is very anxious to have information.

Mr. Cockburn:—And more than that, all unite. All the settlers in the neighborhood, no matter what denomination they belong to, turn out when a minister

arrives. They are glad to hear a sermon from any clergyman. They are, however, becoming a little more aristocratic at Bracebridge. The Episcopalians do not sometimes fraternize with the others there, but outside this place, that is not the case.

By the Chairman:—

Q. Do mechanics and commercial men follow in the wake of the settlements?

*Witness:—*I am very glad to be able to answer that enquiry, because I have heard it said that the storekeeper makes enormous profits. First-class stores are scattered all over the district, and prices are very moderate indeed. I know one store-keeper who brought into Bracebridge last fall seventy-five half chests of tea which were imported, while two other merchants brought forty half-chests each. A good article in tea is sold at the rate of fifty cents per pound, and it is good, sound, fragrant tea. I have known one person buy something like forty chests at a time. The prices of goods are very low. Prints are sold at six cents a yard. Their expenses are low; I do not wonder at them selling goods as cheaply as they can be obtained in Toronto, where merchants are obliged to pay heavy rents and taxes, and everything of that kind. The expence of living is also greater in the city. I think that they can quite easily sell goods as low as they do in Toronto. I know that the merchants do not make big profits.

By the Chairman:—

Q. Do you know any causes that tend to retard immigration?—I would just refer you to the letter which I placed before you; if fostered properly, I think that fifty per cent more immigration could be obtained.

*Mr. White (Renfrew):—*As to the religious advantages enjoyed by settlers, I may say that all our Free Grant lands form part of the older and more settled townships. Our educational system in the Free Grants is consequently the same as in the more settled townships; of course our Free Grant lands are all within the limits of the county of Renfrew, and the same system of education which applies to the older settled townships also applies to those who are settled under the provisions of the Free Grant system.

*Mr. Cockburn:—*We have special municipal institutions with us; we can form municipal institutions without being attached to any county, and we can collect rates without the aid of County Councils at all.

*Mr. White (Renfrew):—*That is in the District of Muskoka and in the District of Nipissing, but there is no such provision in force for our county; at all events, if there is, no advantage is taken of it.

*Mr. Donaldson:—*I may also mention that I believe a large Company made the purchase of nine townships some years ago north of Peterboro' from the Government; and I think that they are going to follow this same scheme which I have to-day suggested to you. I was talking to Mr. Blomfield to-day, and he says that he thinks this course is going to be adopted by the Company. I may also mention the fact that some years ago—in 1861-62—when I was asked to meet their Committee in Europe, when Mr. Haliburton was chairman of their meeting, I made that proposition, but no action was taken at the time with regard to carrying it into effect.

In answer to a Member:—

*Witness:—*I was just going to state, with respect to the matter before us, the putting up of houses and the clearing of the land, that I think this Company is now going to do this. I made the suggestion at the time mentioned to their Committee

in London, and I suppose it would have been carried out had it not been for the Free Grant lands having been thrown on the market, and hence it was not possible for them to do anything. Having paid a half a dollar an acre for their land, and as, of course, they must be in a position to make some profit. The Free Grant lands, however, shut up their shop, and they have not done anything of any consequence since. I do not suppose that one-half of a township, among the number they secured, has been located as yet. There is one thing that is apt to be forgotten. I called upon Mr. Devine, the Deputy Surveyor-General, who said that the information he had obtained from the surveyors, the best land and the greater portion of the better quality of land out in that direction had not as yet been settled upon. He says that as soon as these parts of the country get into the market as Free Grant lands, there is no doubt that they will be filled up more rapidly than the greater distance at which they are situated from the centres of population would lead one to suppose, owing to the superiority of the soil. This section is partially settled now.

Mr. DONALDSON then submitted the following letter :—

PLAN FOR SETTLING IN FREE GRANT DISTRICTS.

TORONTO, 19th March, 1877.

To the Chairman of the Immigration Committee, House of Commons, Ottawa :—

SIR,—From the scarcity of employment in the Free Grant District during the winter months, I have the honour of submitting a scheme which, if carried out, would, I think, in a great measure, meet this want.

I have always felt it would be a great boon to the people settling on those lands, more especially to families, if a small outlay were made in the erection of a house of reasonable dimensions, wherein they could place their families on reaching the location, and also in clearing a few acres of lands ready for crop, which would enable them to raise probably sufficient to put them over the following winter, and this they could not possibly do, if they have to set to and build their own house and clearing. It is well known, there are more difficulties staring the immigrant in the face the first year than ever afterwards.

To prevent the Government from being imposed upon in any way, the work of clearing, say five acres on each lot, and putting up a log-house, could be done by contract, and at a cost of not exceeding \$200.

If the Government did not feel disposed to bear this expense, the parties themselves would gladly do so, on entering on the lands, as the advantage is really so very great. In submitting this project to immigrants with capital, who intended and have settled in that district, I found that nine out of every ten would have been but too glad to have paid for such improvements; further, I am satisfied many a good settler has been deterred from facing the bush in not knowing how to go about making a proper start.

Now that the Northern Extension Railway runs to Gravenhurst, and the excellent line of steamers, owned by Captain Cockburn, M.P. for Muskoka, run into the different parts of the district, a number of our Canadian farmers are settling in the district, and these, as well as the immigrants, would gladly avail themselves of such improvements, as long as the cost were not more than they could do it for themselves.

Many of the settlers already there, struggling for a living, would be glad to become contractors to do this work, and while it would be such an advantage to the

new settler, it would also be a great benefit to those settlers in furnishing them with remunerative employment during the winter months, for the want of which we hear so much complaint at present; this once commenced may last as long as there is an acre of Free Grant lands offered for settlement.

This need not alter the present terms with the Government, for it will be an advantage to the settler to know that he cannot get the deeds of his lands until he has cleared his fifteen acres, and become an actual settler for five years.

Care should be taken to select the best tracts of land for those entering first; parties accustomed to bush life, and with full instructions from the head of the Crown Land Department, would be the best judges where to locate, and part of their instructions should be to select lands where there is an abundance of water, either a living stream running through the lot, or springs of such a nature as to produce an ample supply for all purposes.

From the absence of such a system, many parties have settled on lots unfit for settlement, and have been compelled to desert their new homes after having spent their little all in making the first improvements.

I am the more convinced of the advantage of this system from a circumstance that has lately taken place in the case of a number of Swiss immigrants that reached my agency a few days ago; they have gone to settle on a plot of land set apart for them by the Ontario Government; they had with them considerable capital, and more to follow should they require it; they were forwarded by rail to Gravenhurst, there they had to engage four teams to carry their supplies and baggage to near the Maganettawan, some three days' journey, and then to either camp out until they could get a shelter put up, or they may have the good fortune to get under the roof of some of the few settlers that have gone there before them; they were all hearty, strong, young men, except one who was up in years, but as hale and hearty as any of them; had there been any women and children among them, I would have advised them to remain in Toronto until spring opened. They expressed their willingness to pay for such improvements, as it would have enabled them to go on at once and add a few more acres to those already cleared, and it would have enabled them to put in a considerable crop. As it is, they took with them a small quantity of spring grain of each kind, some turnip seeds, &c., &c., and they expected to be able to procure a supply of potatoes in time for planting from some of the settlers near them.

I would not advise that any except heads of families with sufficient capital, so that after paying for the improvements they would have sufficient means to tide them over the first year, should have the privilege of becoming possessed of these improved lots.

All that would be required at the hands of the Government would be a loan of a few thousand dollars to make a start, and clear and prepare say twenty or thirty lots in different sections; the payments made by parties entering on these could be used to clear others.

Nothing could be more encouraging to immigrants intending to settle on the Free Grant lands than to know there was a home already prepared for them, which they could take their families into at once.

The agents in Europe would also find that this would strengthen their hands considerably, and it would show a disposition on the part of Canada to prepare for immigrants coming to our shores.

Seeing a number of the agents in Europe, seem to feel it would be an advantage to have lists of farms furnished them from time to time, with full descriptions of prices and terms of payment, in conclusion, I would say that I will most cheerfully furnish such list from the Toronto Agency, which I would recommend should be printed, stating prices in sterling money as well as in dollars and cents.

I have the honor to be, Sir,

Your obedient servant,

(Signed,)

JOHN A. DONALDSON,

Government Immigrant Agent.

Mr. Jones (Needs) :—I suppose that most gentlemen are aware that the Ontario Department of Agriculture in Ontario adopted a system of the kind mentioned in this correspondence in the Township of Ryerson, but it was finally dropped. I think that the Secretary of the Department gave out the impression that it was not desirable, though successful. The plan proposed is a little different, and there would be no harm in trying it. I think that the scheme is quite sound.

Mr. Donaldson :—I may mention that the reason why I brought the matter before the Committee at all was, with a view to furnish some employment to the people who go into that section; of course, this report should properly go to the Ontario Government, but I found the difficulty to exist to which Mr. Jones has just alluded. Heretofore, in consequence of the Government giving time to pay the instalments, those dealing with the Government expected to be treated with a great deal of leniency. If the Government insisted upon a prompt payment, it would create a great noise and would do more harm than good. The report would go back to the old country, and people would hear that, after putting up houses and making a clearing, occupants were forced by the Government to pay these instalments. This suggestion was made as far back as 1861-2. It appeared to me then that it was not advisable for these people to go and settle on Free Grant lands without any house or home to bring their families into; and, as I remarked in the report, I think it would be judicious to confine the application of the scheme to heads of families. I submitted the project, I suppose, in not less than 40 or 50 cases, to parties who had £100 or £200, and I asked whether if such clearings were made, they would like to pay a portion down, and I did not find a single person who did not reply in the affirmative when I made it a point to ask their opinions on the scheme. However, this is a matter which I thought I would submit for the consideration of the Committee.

The Chairman :—It is worthy of consideration, certainly. It is carried on successfully in the United States by railway companies and the like.

In reply to a Member :—

Mr. Lowe stated he had authentic information that the township of Ryerson was quite successful in as far as related to filling up. But the scheme was not continued in consequence of difficulty in collecting the instalment credits. The difference of Mr. Donaldson's scheme is that he would give no credits, and his evidence is ample as to the fact that many immigrants would consider it a great boon to be able to buy for cash, while a great assistance would be at the same time afforded to poor settlers who have great difficulties to surmount, by affording them occupation. I may add that in the Western United States the Railway Companies which have large land grants are powerful immigration agencies. They make large advances to assist settlement, taking liens on the improved lands for their security, and for their profit selling the land at a high price per acre—at \$5 and over.

Mr. Cockburn :—In corroboration of what Mr. Donaldson has observed, I may say that I have myself received several letters on the subject—one from Madame Von Kœrber, who begged me to go to the Ontario Government and get buildings put up for certain individual parties. Mr. Crooks stated that they had given up the scheme, and absolutely declined to do it. Of course, it would be necessary to go to Parliament and get authority for it. He, however, could not see his way clear to doing it; but there would be no harm in making the suggestion in a respectful way.

The Chairman :—It is easy to understand the difficulty which arises with new settlers. The expense to which they are put in going to any private dwelling, or even to a tavern, until they get up a little shanty, is serious. I may state that the Dominion Government some years ago adopted a system similar to the one spoken of, in Manitoba; and it relieved the settlers wonderfully. The Government, by subvention,

put up two or three very large buildings, which were subdivided into many apartments. This was under the superintendence of Mr. Shantz; and it was done for the accommodation of the Monnonites. It had a very beneficial effect. They put up in these buildings until such time as the settlers could prepare little places of their own. It took a few weeks until everything was ready for them to move from the large establishments into their own, and it was no expense to the settlers.

Witness :—You will notice that the whole amount which would be required from the Government under such a system as recommended, would only be the first outlay. Suppose that twenty lots were so cleared, and \$7,000 or \$8,000 were spent for the purpose, the money expended would come in afterwards and could be used in clearing other lots; this paying out of money would continue, and I feel that it would be a great benefit to those people who would be the contractors. The persons who should be employed in putting up the buildings would be the settlers themselves. I would not allow any settler or contractor to go into the section in question for the purpose of taking this work out of their hands; this little difficulty arose in the case of the other Township. The contract was let out to Mr. Sturdey, who agreed to build quite a number of houses,—twenty or twenty-five. The consequence was that he got into a little difficulty; he had not the means to carry out the project as should have been done. The scheme I suggest would avoid trouble so far as this matter is concerned.

A Member :—One other thing which may be said in favour of that scheme is this, some people might ask should not settlers going in be allowed to buy the improved places of other settlers; but other settlers are not allowed to sell until they get the deeds of their lands.

A Member :—I am not clear on the point that they would not be allowed to sell, and if they did sell, I do not think that they would be allowed to take up other locations.

A Member :—They are not allowed to sell unless they make special application for permission to do so. Each case of this sort must go before the Commissioner of Crown Lands.

Mr. Spence :—Suppose settlers were allowed the privilege. If a man were to leave a lot and hand it over to another settler, and even if the law would not decide that this could then be done, it is not very likely that the Government would interfere with the rights of such a person if he remained on the lot and afterwards applied for a patent, provided he were to continue the improvements.

A Member :—They can get over that. Say one is three years on a lot and he cancels the location and re-locates. This makes eight years before a deed can be got instead of five.

Mr. Donaldson :—If the practice Mr. Spence speaks of were permitted, the object of the Bill would be defeated. The great object in view is to have people become actual settlers for five years, and then it is considered that they will become permanent settlers.

Chairman :—The suggestion thrown out by Mr. Donaldson is certainly worthy of consideration. I would ask if the Committee think it desirable to embody it in the report?

It was agreed that it should be so embodied.

WEDNESDAY, 28th March, 1877.

EVIDENCE OF MR. THOMAS SPENCE.

MANITOBA AND NORTH-WEST TERRITORY.

Mr. SPENCE appeared before the Committee.

By the Chairman:—

Q. Will you state your name, your official position, and your place of residence?
—Thomas Spence, Clerk of the Legislative Assembly of the Province of Manitoba.

Q. How long have you resided in the Province?—A little over ten years.

Q. Have you had any means of acquiring information respecting the settled portions of the Province?—Yes, I have had several.

Q. What were they?—I have resided at Portage La Prairie during eighteen months, and I have lived in other sections of the Province. In fact I have been nearly all over the Province.

Q. What distance is Portage La Prairie from Winnipeg?—Sixty-two miles.

Q. Have you travelled pretty extensively through the Province of Manitoba?—Yes.

Q. Can you give any description with reference to the settlements with regard to improvements and population?—I cannot, with respect to improvements; I have not been much through the Province during the last three years; I have been at Portage La Prairie several times, but I have not been through the newer settlements; there are new settlements made every year you may say. The country, however, is pretty much the same, as far as description goes. On the boundary line towards Pembina principally, new settlements have been opening up ever since last season.

Q. What educational advantages have they, and what places of worship in some of these settlements?—They have hardly had time to secure yet, in the later settlements, either schools or churches.

Q. I presume that they have them in settlements of any extent?—Yes.

Q. Do you know of any obstruction that impedes or retards immigration and colonization in Manitoba; do you know of anything that you consider detrimental to its prospects of settlement?—In my experience there is nothing besides the grasshoppers which is calculated to have this effect, and last year these were entirely gone—not one was seen in the Province.

By Mr. Jones:—

Q. Is the want of easy access to the country also detrimental in this respect?—To a certain extent this does have that effect. Of course, if we had quicker and easier means of access it would make a great difference.

By the Chairman:—

Q. The only detriment then you consider to be the grasshopper plague?—That and the present rather difficult means of access to the Province, and also the expense attending passage to it.

Q. Owing to the want of railway facilities?—Yes; if we had the Pembina Branch open even, it would give us communication. The construction of some fifty miles would complete the railway, but the Northern Pacific Railway people do not seem inclined to do anything until they see the Canadian Government move in the matter.

By Mr. Stephenson:—

Q. Are the immigrants who enter the Province going in by the American route?—Yes; last year nearly all of them came by way of Duluth.

Q. What is the distance they have to go through the United States from Duluth to reach the boundary line?—The distance is two hundred and forty miles from Moorhead.

By the Chairman:—

Q. To Duluth?—That is the distance from Moorhead, according to the general contour of the country.

Q. It is two hundred and thirty miles from Moorhead to Winnipeg?—That distance is two hundred and forty miles, and it is about the same distance to Duluth making about five hundred miles in all. The boundary line is seventy miles from Winnipeg.

By Mr. Stephenson:—

Q. Has the Province of Manitoba any immigration agents?—Yes.

Q. Where are they stationed?—One Mr. Hespeler is engaged in the work at Winnipeg, and Mr. Tetu at Dufferin.

Q. Who takes charge of immigrants going to Manitoba when they get off the boat at Duluth, and while passing through the United States to Fort Garry?—No one takes charge of them that I know of.

*Mr. Stephenson:—*They are carried in Canadian vessels to Duluth, and then they are left to the tender mercies of Uncle Samuel.

By the Chairman:—

Q. Do not agents of the Dominion or of the Province go with them; is not some one placed in charge of immigrants?—No, sir, no one is placed in charge of them that I know of.

Q. What plan would you suggest; do you not think that under this system a number of immigrants are taken away from us, while they are going through the United States?—I know that several of them have remained in Minnesota, and settled there. Evidently in going through that country they had taken a fancy to the land. Many of them had to buy land. Most of them remained in private settlements.

Q. Have you ever thought of any mode calculated to remedy this state of things?—I do not know of anything more than I believe that at one time the Canadian Government were in the habit of having an agent to travel with immigrants leaving for the West, and go with them as far as he could, to see that they and their wants were properly attended to. I suppose this would be the only policy to adopt to secure their settlement in the country.

By the Chairman :—

Q. To what class of immigrants have you reference?—To the general class that has gone out to that country during the last few years.

Q. You do not include in it the Mennonite settlers?—No.

Q. The Mennonites have always been in charge of some person?—Yes. I am speaking of the general class of English immigrants who come out to colonize the Province.

By Mr. Stephenson :—

Q. What immigration do you expect to secure during the present year?—From what I have learned since I left the Province of Manitoba, there is going to be a very large immigration into the Province during the current year.

By the Chairman :—

Q. Do you expect this to come from Ontario, or from the United States?—We expect a good deal of immigration from Ontario, largely from the Ottawa district I believe; and we expect a good many from Lower Canada, some four or five hundred I understand. Others, it is anticipated, will come from the Eastern States of the American Union.

By Mr. Stephenson :—

Q. Where is the first agent stationed to meet immigrants going into the Province of Manitoba?—At Dufferin, on the boundary line.

Q. Have we an agent there regularly?—Yes; he has been there for the past twelve months. There is fine accommodation at this place for immigrants, who occupy while there the barracks lately used by the Mounted Police. Our immigrant sheds now answer their purpose very well.

Q. Who is the immigration agent at Dufferin?—Mr Tétu.

By a Member :—

Q. What is the best season for emigrants to start from here to go there?—Of course the earlier they go the better. It is of great consequence for an emigrant to put in a crop to support his family.

Q. What time do they sow wheat with advantage?—It depends upon the season a good deal. I think up to the 1st June, or nearly; seasons vary, though. They generally commence ploughing in May; sometimes 1st May.

Q. There was a plan started by Mr. Carling in Ontario, in the Muskoka district, to build them a house and start them on a clearing of five or ten acres. Is there something like that done?—There is nothing of that kind done yet. It would be a great advantage, of course, and I suppose immigrants would be very glad to reim-

burse the Government, because the Government could do this much cheaper than the immigrant could do it himself.

Q. Any steam plough in the Province?—No; it has been spoken of by parties who have visited the Province but they have had no encouragement. But if there was a steam plough it would be very well.

Q. The land is very favourable for the use of steam plough?—Yes, very much so.

Q. They are working steam ploughs with great success in England, Belgium, and in Illinois and Indiana?—I understand the American steam plough is rather a failure. I met a gentleman from Dakota who had tried it. The American steam plough is different altogether from the English steam plough. The English steam plough works very well.

By the Chairman :—

Q. You mentioned the ravages of grass-hoppers a few moments ago—do you know how many years in succession that plague visited the Province of Manitoba?—The first since I went to the Province came in the fall of 1868, and they have been more or less ever since until last year when they entirely disappeared. They settled in the fall two years ago, and laid their eggs.

Q. It has only been a partial destruction of the crops, has it not?—Only partial. Some crops escaped.

Q. There was not a total destruction in any one year?—No; always some left.

Q. Do you know of any prior to 1868?—I only went six or seven years before that.

Q. Did you not understand from the old settlers that the grasshoppers had been there before that?—I understand that they had not seen grasshoppers for 25 years before 1868.

Q. Were there any grasshoppers in 1876?—No, sir, not one.

Q. What is the general opinion entertained by the settlers in reference to grasshoppers now?—They seem to be very confident of their having disappeared, and they are prepared to farm on a very large scale, generally more than double that of last year. There is plenty of seed in the country and there is merely the labor of extra ploughing.

Q. What would have a tendency to remove that plague?—There was a measure before the Local House, but the Bill was dropped. It was taken from the system they have in Minnesota. They offered a premium for gathering the eggs.

Q. Would not an extensive cultivation of the soil have a tendency to do so?—I think so. They generally take virgin soil to lay their eggs. Sometimes they lay their eggs in the middle of the road.

Q. More usual in the middle of the road than anywhere else?—Yes.

By Mr. Hagar :—

Q. How can the eggs be destroyed?—By a system of gathering. The settlers employ their children to do so.

Q. What was the reason of their disappearing last year?—They fly all over the country. The eggs were hatched in 1876 that were laid in 1875.

Q. They were hatched in 1876 and then disappeared afterwards?—Yes, sir.

Q. Frost or cold does not destroy them?—No; it is almost impossible to destroy them.

By the Chairman:—

Q. The general and prevailing opinion is, with the settlers you have conversed with, that they may not have any more grasshoppers for many years to come?—That is the general impression.

Q. And they have no hesitation in cropping to a very large extent?—No; they are as busy as they can be this spring. In fact, a large quantity of wheat will be exported to Toronto and different quarters next winter.

By Mr. Stephenson:—

Q. You have not suffered from the potato pest?—No potato disease of any kind.

By Mr. Hagar:—

Q. Any bug?—No.

By the Chairman:—

Q. What is the general appearance of the country in Manitoba—slightly undulating, or one vast plain?—Generally speaking, rather undulating.

Q. That is, sufficient for natural drainage?—Yes.

Q. Any hills to any extent?—Not what we would call a hill in this part of the Dominion; simply an elevation.

Q. What are the market facilities for farm produce?—I have got the latest prices.

Q. Stock, produce, &c., wheat, oats, barley, peas, &c.?—The price of wheat when I left, was \$1.25. It was sold at 80c. in the fall, and then rose to \$1.25 on account of the sales being large, from people coming from the outside to buy wheat.

Q. Oats and barley?—They did not raise much barley.

Q. Peas?—75c. to \$1.00.

Q. Oats?—45c. to 50c. The following is a detailed list of prices of outfits at Winnipeg, as given in my book on the "Saskatchewan Country of the North-West of the Dominion of Canada," published this year:

" Waggon, complete	\$ 90 00
" do without box.....	70 00
" Extra prairie breaking plough.....	27 00
" Sub-soil breaking plough, 12 inches.....	42 00
" Cross-plough, 10 inches.....	13 00
" Cultivators, 5 feet.....	10 00
" Chains	12½ cents per lb.
" Mowers.....	\$85 00 to \$100
" Harrows, eight bars.....	\$16 00 to
" Fanning mills.....	\$35 00 to
" Nails.....	5 cents per lb.
" Iron.....	7 cents per lb.

" In building material :—

" Window sashes, from.....	\$1 50 to \$3 50
" do frames do	1 25 to 2 00
" Door frames, inside.....	1 00
" do outside.....	2 00
" Panel doors.....	1 80 to 2 50

" Oxen and horses of a superior breed being in first demand in Manitoba by constant arrivals would be purchased cheaper in Canada or the State of Minnesota, more particularly as the rapidly increasing immigration will cause a scarcity and high prices. Parties desiring to become stock-raisers would do well to make their selections of breeding stock in Quebec or Ontario, which Provinces took the principal prizes at the great Centennial Exhibition at Philadelphia." A very good single ox can be got for \$60.00.

By Mr. Hagar :—

Q. What is the meaning of "harness" and "yoke?"—They are using harness more than yoke now; harness is stronger and handier.

By the Chairman :—

Q. Are horses much in use?—Yes; a good deal. A great many horses have come into the country during the last few years; before that they were principally native horses.

Q. What is the price of a tolerably good farm horse?—I could hardly put the price, they are so scarce; they are hardly sold at all; men generally bring them in for their own use. I should think \$200 would be paid, and that you could not get a good one under.

Q. What would be the price for a good serviceable native horse?—About \$100

Q. What is the extent of the producing qualities of the soil in unsettled portions of Manitoba?—Taking the Province all through, I should fancy about two-thirds; that is, including the reserves.

The Chairman :—Yes.

*The Witness :—*I could tell better with a nap before me. Do you want the quantity unoccupied?

*The Chairman :—*Yes.

*The Witness :—*Including the Hudson's Bay lands and those of the Mennonites?

*The Chairman :—*Yes; of all the unsettled portions?

*The Witness :—*I should say fully two-thirds or more.

Q. What is the quality of the soil—is it good?—Generally; only one-third is only fit for hay lands; of course one cannot talk as if he had been all over the country. The following is from my pamphlet on the Saskatchewan and its tributaries and country:—"In the present sparsely settled state of the country the early pioneers of immigration will have great advantages in being able to appropriate the best lands and the most eligible situations for wood and water; and from the tendency of population being governed primarily by the direction of the navigable waters, so will the pioneer lay the foundation of thriving towns along their great extent, to the foot of the Rocky Mountains. The North and South branches of the

“ Saskatchewan, or Ki-sis-kah-che-wun (the river that runs swift), have their sources in the rocky mountains but a few miles apart. From their nearly common source the North branch diverges north-eastward, and the South branch, or Bow River, south-eastward, till at two hundred and fifty miles due eastward they attain a distance of three hundred miles from each other, the South branch being then within forty-five miles from the frontier; then, gradually approaching, they meet at five hundred and fifty miles eastward from their source.

“ From their junction the course of the main Saskatchewan to Lake Winnipeg is 282 miles by field notes. This makes the whole length of the Saskatchewan, from the source of the South branch (which is the main stream) to Lake Winnipeg, 1,092 miles; following the North branch the total length to Lake Winnipeg, 1,054½ miles. The foregoing figures are the result of a careful astronomical survey made many years ago by David Thompson, the North-west Company's astronomer; and this gives occasion to remark that the length of rivers and distances generally are much exaggerated in new countries. Much of the extraordinary length and size attributed to rivers in the United States is due to this, and errors respecting them from this source have found their way into standard works, such as Johnson's Physical Atlas. Its magnitude will be more fully understood by the following comparison:—

It is	184	miles	longer	than	the	Ganges.
“	1,164	“	“	“	“	Rhine.
“	1,649	“	“	“	“	Thames.
And only	376	miles	shorter	than	the	Nile.

“ In considering the character of the Saskatchewan and its country, it will be advisable to limit this pamphlet to a brief description of the best localities in its country suitable for more immediate settlement. Ascending from its mouth, at Lake Winnipeg, there are two miles of strong current up to the Grand Rapids, which are nearly three miles in length, with a descent of $4\frac{1}{2}$ feet. The country in the vicinity of the Grand Rapids has a considerable depth of good soil, and the banks of the river high; there is also abundance of timber for fuel and building, and game of all kinds, and between this point and the lake would be very favourable for the establishment of fisheries. The Pas mission, situated at the mouth of the Pasquia River, is about eighty-five miles in a direct line from Lake Winnipeg; the banks here are ten or twelve feet high at low water, and the soil a rich, dark mould over a drift clay. At this place there is at present a small but prosperous settlement, and a Church of England mission has been established for many years.

“ The next most favourable country for agriculture commences at a point about 140 miles above this, the soil being rich and the timber of a fair quality. The soil consists of a rich alluvial deposit, ten feet in thickness above the water on both sides of the river, and well wooded with large poplar, balsam, spruce and birch, some of the poplars measuring $2\frac{1}{2}$ feet in diameter. This character of country continues till approaching Fort à la Corne, about 150 miles, and is well watered and drained by many fine creeks. A few miles west of this is the new and flourishing settlement of Prince Albert, situated on the south side of the north branch of the Saskatchewan, about forty-five miles below Carleton. This settlement extends for about thirty miles along the Saskatchewan, the farms fronting on the river and extending back two miles. The settlers, though principally Scotch, are composed of English, Irish, German, Norwegians, Americans and Canadians. This settlement has increased rapidly, especially within the last two years, and now numbers about 500 souls, and the people are beginning to farm extensively. Wheat sells there at \$2 per bushel; barley, \$1.50; oats, \$1.50; potatoes, \$1.25, and butter, 37c. per lb. Several of the settlers have commenced stock-raising on a large scale, and the facilities for this branch of industry are of no ordinary kind, inasmuch as there is abundance of hay and pasture. As an evidence of the prosperity of the settlement, it may be mentioned that good

"horses, waggons, light waggons and buggies are found everywhere. The settlers have also the most approved agricultural implements, mowers, reapers, threshing machines, etc. There are mills and stores and two schools in the settlement, one in connection with the Presbyterian Church, of which there are two, and the other in connection with the Episcopal Church. The North and South Saskatchewan run in a north-easterly direction for about 120 miles before they unite. The channels are almost parallel, and with an average distance of twenty to twenty-five miles apart. The land between the rivers is all good. Along the south side of the south branch the land also is good and fertile."

Q. What about the other two-thirds of the land you speak about?—I am not including the timber lands. All the country between the Portage and Pembina Mountain is timber land; timber right to the Assiniboine.

Q. Do you consider the land on the unsettled portions equal to that on the settled portions?—Nearly; of course along the Red River it is richer—along all of the rivers it is richer. Generally it is good, but a little better in some places than in others.

Q. What description of timber is in general use for fuel, and is the supply sufficient to guarantee extensive settlement?—Poplar and oak, for present use. There is a great deal of timber fit for firewood, but it is getting expensive on account of having to go so far for it. Immediately on the banks of the Red River it is getting scarce for a large population, and to get large supplies they have to go back to the Assiniboine. Back of that there is timber to last for many years.

Q. Is the growth of timber very rapid?—The growth of poplar is.

Q. And if protected from fire?—It would keep on increasing, in proportion to the increase of population.

Q. Instead of diminishing?—Oh, yes.

By Mr. Bannatyne:—

Q. Don't you believe that a farmer could grow timber more rapidly in Manitoba than he could clear it in many parts of Ontario?—I should say so. For instance soft maple, from the seed I mean, is quite a little tree in the third year.

Q. That is a farmer wants but a small quantity of wood, and he can grow what he wants quicker there than he can clear it here?—Yes.

By Mr. Hagar:—

Q. It grows on the Prairie?—Yes; young trees come up thick like grass.

*By the Chairman:—*The question is, sooner or later there will be a scarcity of wood. Some twenty years ago I travelled through Wisconsin and I made particular remark that there was a great scarcity of timber. The gentleman to whom I was speaking replied: "Not if the trees are properly preserved." I visited that State again as I was returning from your province, two years ago, and around pretty extensively with the same party, and I found a larger supply of timber than I had seen twenty years before.

*The Witness:—*That's the very same with us.

Q. Do you say that with proper care the supply of wood would be sufficient for generations to come?—I think so. It only requires some legislation to prevent fires.

By Mr. Hagar :—

Q. Would it require some encouragement from the Legislature to induce the people to set out trees?—I believe there are some Dominion regulations.

By Mr. Borron :—

Q. From whence do the people of Manitoba expect to derive an abundant and lasting supply of pine timber for building and other purposes?—There is no pine timber in the Province, but there is east of the Province, in the Keewatin Territory; and all on the east side of the Lake of the Woods it is pine country.

Q. And by water communication can easily be brought to the settlements?—Not until the railway connects.

Q. The railway east to Rat Portage?—Yes; I understand those limits are in private hands, awaiting the time when the lumber can be shipped.

Q. There are extensive pine limits?—On the east side of the Lake of the Woods; and that country is open country.

Q. Are you aware if the country bordering on Rainy Lake and the Lake of the Woods is capable of affording any considerable quantity of useful timber?—I am not familiar with Rainy Lake. I have been on Lake of the Woods as far as the mouth of the Rainy River. There is much timber all the way up to Rainy River. I understand the land is pretty well all taken up between Fort Francis and the Lake of the Woods, on one side, the east side. Last summer, I believe, a good many houses were erected along the river.

By Mr. Bannatyne :—

Q. There is a large amount of white pine there yet?—It has not been explored yet. Hon. James MacKay is the only one that has explored it.

By the Chairman :—

Q. In the event of a large influx of emigrants to Manitoba, do you think there is any danger of farm products being in such a glut as that remunerative prices could not be obtained?—I should say that in the case of a large emigration, the probability is that the prices would be kept up. Of course there will be a large home market for years yet. We had an instance of it last summer, when wheat sold there for \$1.25.

Q. And what effect would the construction of the Canadian Pacific Railway have?—Of course that would cause a good deal of consumption, and all the surplus produce could be brought down to the head of Lake Superior; it will go that way. What has been contracted for will go by way of Duluth. I understand the rate to Toronto is forty cents.

Q. From where?—From Fort Garry to Montreal, 45 cents. These rates have been contracted for.

Q. What would wheat sell for in Montreal?—Supposing it was purchased on an average of \$1—although it has ranged from 80 cents to \$1.25—that would lay it down in Montreal for \$1.45.

Q. It would realize that?—I speak of seed only. I think \$13 have been paid in Toronto for seed.

Mr. Hagar :—Only the other day I bought seed for \$1.85.

Witness :—But a change of seed would make prices higher.

Q. Do you know any facts connected with the Saskatchewan, from Manitoba and can you tell what classes are moving west?—There is quite a large number of settlers at Prince Albert; they are principally Scotch.

Q. Do many of the French Half-breeds move out west?—A good many, in fact they are going all the time.

Q. Do summer frosts come so as to be detrimental to the cultivation of wheat?—As far as I have been able to learn, they have not.

Q. Have you not known of summer frosts injurious to crops?—Not to speak of. I have known potatoes to be nipped, but that occurs anywhere in Ontario.

Q. Can you state what is the maximum yield per acre of oats, wheat, peas, &c., and can you give any information as to the special qualities or weight of the grain per bushel?—I think the average has been set down as 35 bushels to the acre.

Q. Wheat?—Yes, It does not average more. A fair average in Minnesota is eighteen bushels.

Q. You know many crops to be larger than that?—Yes; I have seen some fifty bushels to the acre. We have had no opportunity of getting official figures. Our Government cannot afford to get official statistics yet, although it would be a very important thing for the Dominion if we had careful agricultural statistics taken for us.

Q. Can you give any information as to the special qualities or weight of wheat per bushel?—I was acting as Secretary of the Advisory Board at the Centennial, and I had occasion to receive samples from all parts of the Province, to select the best to send down. The weightiest sample I had was 63½ lbs. to the bushel, but the farmer made it 67 lbs.

By Mr. Bannatyne :—

Q. That was by the new weights and measures?—Yes; I had to take the new measures. In pouring wheat down if it is given the least shake at all it will make a difference of six or seven pounds. Even if you give it a kick with your foot it will make a difference. I had quite a trouble to convince the farmer that it was not 66 lbs. or 67 lbs. I understand that this wheat was sent down during the season of the grasshoppers, and Mr. Kenneth Mackenzie objected to any going at all, he saying it would do the Province more harm than good. But of course it would look very bad to send nothing. As it was, however, we obtained a silver medal.

Q. It was not so good as on former years?—No; and many farmers did not want to send anything.

Q. Are the samples produced fair samples of last year's produce?—Yes, and they are very fine samples. There were several awards for seeds.

By a Member :—

Q. They were all chosen by hand?—They were chosen carefully by hand, of course.

By Mr. Bannatyne :—

Q. I don't think the small seeds were all picked out by hand, as I see several small seeds here in the bottle?—The small seeds were taken out of all the samples

sent from the United States, but they were not from ours. They were sent as they came from the farmers, and some were hardly cleaned.

By the Chairman :—

Q. I have had several communications from parties in New Brunswick and Nova Scotia as to the facilities for reaching Manitoba from the Eastern Provinces, or from Ontario, and the expense, say from Toronto?—I believe there are some alterations being made in the Department. I have not an opportunity of examining the rates. I believe there is some reduction in contemplation now. Of course, with regard to the road the Lake route is certainly the cheapest. But if an emigrant can afford it, and time is an especial object, he had better go by rail.

Q. You would advise going by Duluth by boat?—Yes; but it is advisable that emigrants in a year like this, when the prospects of a good crop are favourable, should go there early in the spring, say by the 1st May.

Q. From Duluth to Moorhead by the Northern Pacific?—Yes.

Q. Then down the Red River by the Kitson line of steamers?—Yes.

Q. And the expense from Toronto would be from \$40 to \$50?—I could not say. The Department may know the rates.

*Mr. Lowe :—*Government immigrants can go for \$17 from Toronto. That is immigrants such as the Mennonites. The rate, immigrant class, or others, is not fixed for the next season. It was last season, \$22.50.

*Witness :—*The first-class fare during the winter is nearly \$100.

Q. That is on account of the stage?—Yes.

By the Chairman :—

Q. Do you consider that the Province of Manitoba and the North-west has a healthy climate, invigorating, and not subject to epidemics?—Generally, it is one of the healthiest climates I have been in, and I have travelled over Europe and America a good deal.

Q. Fevers are not prevalent?—Only one year, on account of bad drainage, and that was confined to Winnipeg. But since the drainage has been made better, I have not heard of any cases.

Q. You consider it a healthy country?—Very much so.

*The Chairman :—*I have seen some very old ages on stones in grave yards there; 72 and 78 quite often.

*Mr. Bannatyne :—*And 99.

*The Chairman :—*Yes, and 102 years.

*Witness :—*Hardly a year passes but two or three of those who die are 100 years old.

*A Member :—*That is partly accounted for by the fact that none but those who have good constitutions go out there.

By Mr. Bannatyne :—

Q. Don't you think that the want of an emigration agent at Duluth is a great injury to the Province, as emigrants were left to the tender mercies of the Americans, who tried to seduce them to settle upon their lands, and not go on to Manitoba?—It is a great loss, and I would suggest that it is not necessary to have one stationed there permanently, but he could go between Pembina and Duluth, and see that proper arrangements were made for parties coming in.

Q. I understand that an arrangement has been made for Mr. Têtu to be at Pembina, but I think all his time is required there?—Yes.

Q. A man might be paid a certain sum for the season, and not a salary for the whole of the year?—Certainly.

By the Chairman :—

Q. And his business would be to go with every batch and take care of them until they got down to the next station?—Yes, that is the only way to overcome the difficulty referred to. Not only that, but the baggage of emigrants could be protected by the agent looking after it. They now have to pay \$5 for bond. Arrangements can easily be made so that the agent of the Dominion Government could be the bondsman. I was informed that one officer made over \$3,000 in acting as bondsman, and he was a Customs House officer at that.

By Mr. Hagar :—

Q. Would one agent be sufficient?—Yes; the agent can be advised by telegraph of the arrival of parties.

By the Chairman :—

Q. Spring or well water can easily be procured in Manitoba?—Generally; I have heard of a few failures and difficulties in getting water, but, as a rule, it is very good. The nearest I have heard of is at depth of 12 feet, it ranges to 50 feet—18 to 20 feet are common.

Q. What is the soil under the black?—Blue clay. At the portage there is a good deal of yellow sand which makes it very warm.

By Mr. Bannatyne :—

Q. You have seen springs flowing down through the woods just the same in winter as in summer?—It never freezes, even on the coldest day. In the neighbourhood of Dawson Road I have passed seventy of them in a day—beautiful springs.

By Mr. Borron :—

Q. How far from Winnipeg is the nearest coal field in British territory?—The nearest proper coal is on the Saskatchewan; there has been talk of coal in the Pembina Mountains, it is said; but I think there is nothing in it, it must be only a drift.

*The Chairman :—*I fancy that is so; I have been out there. What distance is the Saskatchewan district from Winnipeg.

*Witness :—*From 900 to 1,200 miles, that is according to the section of the coal which spreads all over the country.

By the Chairman :—

Q. There may be other districts undiscovered more convenient?—Yes; there have been no proper explorations by the Government as yet; in fact nearly all the information we have is that obtained by Imperial officers.

By Mr. Borron :—

Q. How far from Winnipeg is the nearest coal field in the the United States Territory?—They have coal in Dakota; the nearest workable coal field is in Illinois.

Q. They are bringing coal from Bismarck, Dakota?—Yes.

Q. Has iron ore been found in Manitoba, and if so in what quantity, and whether open or otherwise?—I sent some iron ore to the Exhibition which was found on Lake Winnipeg, on the east shore; it was that kind which crumbles up in your hand.

*A Member :—*It makes superior steel.

By Mr. Borron :—

Q. It is magnetic ore?—Yes; it is almost the same as the magnetic ore found at the mouth of the St. Lawrence; you get it on the beach of the Lake. A gentleman brought some in.

Q. Have any lead, copper, zinc and other useful metals been found?—Not that I am aware of in the Province; but in the North-West Territories there are plenty of all these metals.

Q. Are there any deposits of rock salt, or springs?—Yes; there are some very fine salt springs, but they are outside of the Province. I have made some very fine salt myself.

By the Chairman :—

Q. What number of gallons does it take to make a bushel of salt?—From thirty to fifty gallons.

Q. What would the percentage be at that?—The weight of a bushel is sixty pounds. This brine is stronger than that at Onondaga, New York. I gave a sample to a gentleman where I was working, and he said that was stronger than that at Onondaga.

By Mr. Borron :—

Q. Is it sufficient for curing meat?—Of course; the Half-breeds were in the habit of using it before it was made pure; if trouble is taken with it it is as good as that imported from Goderich, and cures both meat and fish. I have cured white-fish with it, and fish is more difficult to cure than meat.

Q. Is there anything like unbroken water communication between Lake Manitoba and the Saskatchewan?—It is unbroken, but a very little outlay would make it unbroken, at the mouth of the Portages. You can get through in the spring by a boat, when it has overflowed.

Q. That river can be used for navigation?

*Mr. Bannatyme :—*We have two large steamers running across the lake to the foot of the Rapids; then above the rapids the Hudson's Bay Company have a

steamer which goes up to the Rocky Mountains. And there is another, a steamboat which came out in sections and is being put together up there. It was taken over to the Peace River, and they have kept it there, and intend to put another one there. They have engineers on the road from England to put it together.

By the Chairman :—

Q. What distance is that stretch of water from Winnipeg to the head of navigation on the Saskatchewan?

*Mr. Bannatyne :—*I suppose 1,200 miles. There is one portage there. There is a little difficulty in one place with the falls, which could be got over, however. From \$40,000 to \$50,000 properly spent would ensure uninterrupted navigation from Lake Winnipeg. The expense would be for a bridge and for lifting out the rocks.

*Mr. Hagar :—*Do you think you will be able to navigate the river during the summer?

*Mr. Bannatyne :—*They say they can clear off the falls, and that they would always find about three feet of water.

By a Member :—

Q. Flat-bottomed kind of boats would have to be used?—Yes; stern-wheel, I suppose are the best.

By the Chairman :—

Q. Do you consider it advisable to locate settlers to any great extent in the valley of the Saskatchewan at present?—I believe so, as the settlements are advancing there; at St. Alberts, for instance, they are selling their wheat at the highest prices that rule at Winnipeg; trade is increasing very fast, and the Indians are using a great deal of flour now. It would be well, I think, to establish small settlements there for a year or two to come, and by that time I hope there will be some means of shipping the grain. It would be desirable for the Government to give every encouragement to people investing in cattle and stock-raising in that section. A great many have been enquiring of me as to the facilities, and a number of people from England are talking about going out. If that class of people once settled there farmers would soon follow.

*The Chairman :—*I suppose there are no boats from Winnipeg direct.

*Mr. Bannatyne :—*Yes; down the Red River; there is as fine a built steamer as any one would wish to see; the first one that was built proved no good, and we got another, which proved a success. This one runs up here and loads and the freight has never to be removed. The other one often comes up the Upper Fort, and runs right up to the Grand Rapids across Lake Winnipeg.

*The Chairman :—*I was not aware that there were any other boats running down that river than that of Dr. Bond.

*Mr. Bannatyne :—*We have three boats making regular trips—one in the morning and the evening to the Lower Fort.

*The Chairman :—*Do you make regular trips up the Saskatchewan?

*Mr. Bannatyne :—*Those boats make regular trips, and there is another boat which runs out to the foot of the Grand Rapids, across the Lake; then there is a tramway, and we have a steamer there which goes up the Saskatchewan.

The Witness.—Do they ever carry passengers by invitation?

Mr. Bannatyne.—They will soon be obliged to carry passengers; they do not want any one to know what is in there.

The Witness.—They claim that they would not have accommodation and therefore do not take passengers.

Mr. Bannatyne.—They can do it if they will.

By the Chairman.—

Q. How far have you travelled west of Winnipeg?—I have not been much west of the province. I have been in the southern part of the Souris River. At that time I was trading with the Indians. It is a very nice country.

Q. When you spoke of the Saskatchewan districts, you were speaking from outside information, I presume?—Yes, certainly; I am in the habit of seeing people nearly every day who have been there; and I am almost as familiar with it as if I had been living there myself.

Q. Can you give us any other information?—I can mention some facts in regard to the watering of cattle. Last winter an immigrant from Ontario lost some 220 or 250 sheep in the fall, and he found them in the spring all right and in a pretty fair condition. It was astonishing to me that a flock of sheep should be able to live out all the winter.

Q. Is it not common to have horses and cattle out in the winter?—Yes.

Q. Are you acquainted with one Grant, a large farmer, a Half-breed, in Manitoba?—Yes, sir.

Q. Do you know whether he is in the habit of leaving his horses out in the winter?—Yes; the first winter he came into the country he brought about 500 horses with him.

Q. He pays no attention to them whatever, and they are in good condition in the spring?—Yes.

Q. Have you any figures in regard to the export of wheat this spring?—I think I told you I could get some from merchants who bought wheat.

Mr. Bannatyne.—The last contract made for wheat was twenty-four cents from Winnipeg, delivered at Duluth.

The Witness.—Forty-five cents to Montreal.

Mr. Lowe.—Mr. Beatty told me his boats carried wheat from Duluth to Sarnia for five cents. He quoted thirty-five cents from Duluth to Winnipeg, as the rate which he understood between these points, making forty cents.

Mr. Bannatyne.—The contract made last fall was twenty-four cents, delivered at Duluth. It is not outside of twenty-five cents any way, because I saw the parties myself in going down. The freight was said to be very low at the time.

Mr. Lowe.—I inquired of Mr. Beatty, of the Beatty Line, when he was down here, and gave me the figures of forty cents between Winnipeg and Sarnia, thirty-five cents for the Kittson line and Northern Pacific being included in the forty cents

Mr. Bannatyne:—I do not know what it can be done for this spring, but I think they would be glad to take it. They take out freight, and it would be an object if it merely paid expenses.

The Witness:—Have you any idea of the quantity which will be exported this spring?

Mr. Bannatyne:—Some 6,000 bushels, I think, were sold to Whitehead.

The Witness:—I think they have sold more than that. Hungary sold a large quantity. But the figures could easily be got.

The Chairman:—It is a very important question. That is going to be the great grain-growing country.

Mr. Bannatyne:—It seems to be appreciated more by the New York people than any others. They say they would rather go to the expense of putting the wheat in sacks, as they consider there is a danger of its being mixed in going through the elevators. It is hard dry wheat, and almost the only one that will answer for making the new process flour.

MR. CHRISTIE, M.P.

THE COUNTY OF ARGENTEUIL.

WEDNESDAY, 28th March, 1877.

Mr. CHRISTIE, M.P., appeared before the Committee.

By the Chairman:—

Q. What county do you represent in the House of Commons?—The county of Argenteuil?

Q. It is situated in the Province of Quebec?—Yes, sir.

Q. What extent of unsettled land suitable for agricultural purposes exists in the county you represent?—I could not state positively, but the county has unsettled lands of very large extent; but a considerable portion of them is rocky and mountainous, and, consequently, not very suitable for settlement. There is, however, a considerable extent of fertile land in the rear of the county, near the Rouge and Maskinonge Rivers. In the Townships at present surveyed I suppose that there is room enough to settle from five hundred to a thousand families on two hundred acres of land each. The soil is very good. It is loamy and fertile and the land is rather rolling. It is also well watered. Some of the first settlers in this region, who came out to this country ten or fifteen years ago, are now in very comfortable circumstances. They have had excellent markets, owing to the lumbering operations carried on upon Rouge River, for all their produce, some of the farmers in that section who have only been there for a few years have now really accumulated wealth.

Q. Is that along the unsettled section of your county. Does what you have just now mentioned apply to these portions?—No; there are other Townships which are not surveyed, and these comprise a large extent of the county.

Q. Is the land in these parts of equal quality?—It is not equal in quality to the land on the Rouge and Maskinongé Rivers. It is more in the Laurentian Range, and this section is very mountainous of course, still the land is very good for pasturage.

Q. A large percentage of it is fit for pasturage?—Yes; it is also well wooded; along the River Rouge the soil is very fertile and well adapted for settlement, and even in rear of my country there is a large extent of fertile land suitable for settlement which has not as yet been surveyed.

Q. Are these Government lands?—Yes.

Q. Do you know their price per acre?—I think it is thirty cents per acre. It would contribute very largely to the settlement of the land if the Government would adopt a Free Grant policy or system such as has been introduced in the Province of Ontario. However, that has not been done, and this circumstance retards to a certain extent in the settlement of this section of the country. In some of the older settlements, especially in my county, the settlers have not paid for their lands, and the interest has been accumulating for a great number of years, and it consequently now amounts to a considerable sum. The Government are pushing for payment, and the settlers feel that they are being hardly dealt with, so I am aware, from that circumstance, that if these lands were offered as free grants it would contribute materially to the settlement of the country.

Q. Do you know of any obstructions which impede and retard immigration and colonization in the section referred to?—The great hindrance to immigration and colonization is the want of good roads, something should be done in the way of opening up colonization roads; they have not as yet been sufficiently opened up, and a further expenditure of money is required in that direction. Bridges especially should be built across the Rouge River. The settlers are not able to construct these bridges, and at present the only means of crossing this river is by aid of canoes for the people, while horses have to swim across, and, of course, this is a very inconvenient as well as a dangerous way of going to these lands. I have no doubt that if one or two bridges were erected and constructed across the River Rouge, it would contribute very materially towards the settlement of that section of the country.

Q. Do you consider that portion of the country adapted for stock-raising?—Yes, it is admirably adapted for that purpose, it is well watered and the grasses are very abundant and nutritious.

Q. During how many months in the year is it necessary to keep stock under cover and feed them?—I suppose that this period would extend to about six months; it might vary from five to six months.

Q. What class of settlers is most desirable for that part of the country?—Well, the settlers who have been most successful are the sons of farmers who have gone in there and who had long experience in the way of clearing and cultivating land, or emigrants who had been employed for some time in the country before going into that section. There has been abundant employment too for all kinds of labourers; a good deal of lumbering has been done in the immediate vicinity, and this has furnished both labour and markets for all the settlers.

Q. What description of timber is found on these unsettled lands?—There has been found a good deal of pine on them, and there is a good deal of lumbering carried on there still, and lumbering will be carried on in that section for the next fifty years I suppose. The country is well wooded, and contains all kinds of timber—a good deal of hardwood, maple and birch, and some spruce.

Q. What is the usual yield per acre in the settled portions of that locality?—Well, as to wheat I could not say, but I have known thirty bushels of it to be raised per acre. The farmers, however, depend more on stock raising and on the raising of coarse grains. The yield compares favourably with that in any portion of the Pro-

vince of Quebec. I may state that our local member has been labouring for a number of years past to secure the colonization of this section, and he has succeeded to a certain extent; I only wish to co-operate with him and to draw his attention to this particular section. Our local member is Mr. Sydney Bellingham; he even went so far as to have one of the townships surveyed at his own expense in order to induce settlement.

THE SAGUENAY DISTRICT.

LETTERS FROM MR. CIMON, M.P., AND REV. FATHER RACINE.

The following letter was received by the Committee and ordered to be embodied in the Report.

HOUSE OF COMMONS,

OTTAWA, 28th March, 1877.

DEAR SIR,—I have the honour to transmit you herewith, for the information of your Committee and the public at large, a letter of the Reverend Dominique Racine, Priest, *Vicaire-General*, and curate of Chicoutimi for fifteen years; also an extract from the report of Hon. M. de Boucherville, Minister of Agriculture for the Province of Quebec, and a copy of a statute of this Province, intituled: "An Act to encourage settlers."

I will only add what follows:—The Upper Saguenay and the Lake St. John form the County of Chicoutimi, and it contains a population of twenty-two thousand souls. There are at Chicoutimi, the *chef-lieu* of the county, a court house, a superior court, a circuit court, a criminal court, and a magistrate's court. At Hubertville, near Lake St. John, we have also a circuit court; and at Roberval another magistrate's court. Two registry offices are established there, one at Chicoutimi and the other one at Lake St. John. We have also two agricultural societies. In each township there is a well organized municipal council. Regarding education, Chicoutimi possesses a seminary or college where a commercial and a complete classical education are given; a convent under the authority of the ladies of *Bon Pasteur*. In the county there are above a hundred common schools under the authority of school commissioners elected by each township. In different parts of the county one can find notaries, doctors and lawyers. Two Crown Lands agents reside in the County.

Every day, during the navigation season, a steamer arrives at Ha! Ha! Bay, coming from Quebec. The lumber trade is very extensive in all the county.

All the difficulties relating to the possession of property or lands in the County of Chicoutimi, are, according to the articles 1,107 to 1,113 of the code of civil procedure, decided without delay by the circuit court, or a judge in vacation.

I have the honour to be, Sir,

Your humble and obedient servant,

(Signed), ERNEST CIMON.

To JAMES TROW, Esq., M.P.,

Chairman of the Committee on Immigration and Colonization.

CHICOUTIMI, 6th March, 1877.

To ERNEST CIMON, Esq.,

DEAR SIR,—In your letter of the 21st February last you call upon me to send you a few notes for the use of the Committee on Immigration and Colonization, relating to the colonization of this part of the Province of Quebec, which was formerly called by the pompous name of "The Kingdom of the Saguenay," but which we designate now under the name of the Valley of the Saguenay and the Valley of Lac St. Jean (Lake St. John). Notwithstanding my numerous occupations, I give you the desired information to be placed before the said Committee.

The Saguenay territory is divided into three distinct parts:—1. The Lower Saguenay, which commences at the St. Lawrence and terminates at Ha! Ha! Bay; 2. The Upper Saguenay, which extends from Ha! Ha! Bay to Lac St Jean; and, 3. The Lac St. Jean Valley.

The Lower Saguenay comprises but few places open to colonization. At the mouth of the Saguenay we have, on the north side, Tadousac, and, in going up, River St. Marguerite, and a place called Descente des Femmes. On the south side we find the River aux Canards, the Petit Saguenay and the parish of l'Anse St. Jean. It is in this locality that are to be found the mountains called the Laurentides, and, consequently, it is there that are to be found the less quantity of lands open to cultivation. However, in rear of these mountains, which border both sides of the River Saguenay, there are in different places good tracts of lands, which may hereafter form new centres of colonization.

The Upper Saguenay comprises the Peninsula of Chicoutimi, and is by far the most advanced portion with respect to the settlements, eight regularly organized parishes and four missions being established thereon. Still, a large number of uncultivated lots and even whole townships lie here, in which the settler has not yet given the first stroke of the axe.

As to the Valley of Lac St. Jean (Lake St. John), there is but a belt of land on the borders of the Lake that may be considered to be open to cultivation. This belt is limited by the Petite Décharge of Lac St. Jean and the River Ashuapmouchouan, and forms the parishes of Hébertville, St. Gédéon, St. Jérôme, St. Louis Roberval, St. Prime, and St. Félicin.

Being unable to give you an exact idea of the extent of the lands good for colonization in the Upper Saguenay and the Valley of Lac St. Jean, I will quote the Rev. M. Pilote, who made special researches on the subject, and who says as follows:—

“1st. All the western part of the Lac St. Jean between Metabetchouan and the environs of Mistassini is estimated by Mr. Bouchette at 280 to 350,000 acres, say 300,000.

“2nd. The northern and eastern parts of the Lac St. Jean, as well as that of the Grande Décharge, may contain, according to the map made by the late Mr. P. Taché, corroborated by M. Joseph Hamel, Surveyor, and also according to the letter of M. Thomas Simard (4,199,550) four millions one hundred and ninety-nine thousand, five hundred and fifty acres of lands.

“3rd. The south-east part of the lake between Metabetchouan and the Grande Décharge contains one hundred and fifteen thousands acres (115,000) of land.

“Thus,” continues the Reverend M. Pilote, “here is a vast extent of land which may contain a large number of people. It is nearly as large in extent as the six counties forming the Eastern Townships put together.”

The climate is about the same as the one of Quebec, as everyone acknowledges it.

I cannot give a better idea of the fertility of the soil of the Saguenay than by citing the appreciation that an eminent man in the agricultural line, and quite disinterested, lately made. After having visited the whole of the Saguenay, he said:—“I have nowhere else seen richer or more fertile lands than those of the Saguenay and Lac St. Jean.”

This judgment corroborates exactly with that already rendered by the land surveyors, Hamel, Bouchette, Ballantyne, and others who had occasion to go through that great territory. Up to 1837, all the Saguenay territory was but an immense forest, which had only been frequented by missionaries, and to which the attention of the settlers had not yet been called. The parishioners of Murray Bay were the first who had the idea and the courage of undertaking the difficult task of opening that country to colonization. They formed a society, the object of which was the lumber trade and settlement; but success not having crowned their generous efforts in the lumber trade, they sold all their rights to the MM. Price, who still continue these operations in that direction.

Since 1837 and up to 1848, colonization made but little progress, so great were

the numerous obstacles which had to be contended against by the new settlers. But in 1848, owing to the intervention of the Government, also to several colonization societies which were then formed, and above all to the indefatigable zeal of several priests and the large pecuniary sacrifices they imposed upon themselves, a new impulse was given to the settlements in the Saguenay.

But how does it happen that, with a soil so fertile and a climate so favourable, the Saguenay territory was not more rapidly peopled? Here are a few of the principal causes, which I extract from the pamphlet published by the Rev. M. Pilote:—

“In the beginning, the principal cause was the difficulty, I would say the impossibility, for the settler to establish himself on a lot, without being subject to the claims of dishonest speculators, and the absence of local authority to decide such claims, the same having to be decided by the superior tribunals of Quebec; another cause was the impossibility for the *bona fide* settler to obtain from a negligent neighbour the indispensable mutual works, such as ditches, fences, &c., &c. A third cause was the depression of the lumber trade, and consequently the diminution in the number of hands employed in the shanties. A fourth cause was the different fires which succeeded each other in the Saguenay, the last one especially, which occurred in 1870, causing enormous loss and ruining more than 600 families. Lastly, the want of communication.”

* * * * *

These facts known, one is astonished to see that the Saguenay has been, however, so rapidly peopled, its population being in 1871 nearly (19,000) nineteen thousand souls; altogether in 1851, it was but (4,901) four thousand nine hundred and one.

* * * * *

I have the honor to be, &c., &c.,

D. RACINE,
Ptre.

—

Extract from the General Report of Hon. M. DeBoucherville, Premier and Commissioner of Agriculture and Public Works for the Province of Quebec, for the year ending 30th June, 1876.

M. DeBoucherville says:—

“Towards the end of August last, I visited, in the company of two of my colleagues, the Hon. Messrs. Garneau and Baker, the principal centre of colonization in the Province of Quebec, to wit: the County of Chicoutimi, being the Upper Saguenay and Lake St. John. After all which had been said and written on the fertility of the territory of the Upper Saguenay, we expected to travel in a rich country, but, in reality, what we saw surpassed all our expectations.

“Every where on our way, from Ha! Ha! Bay up to the township of Desmules, the north extremity of Lake St. John, that is to say, on a travel of 100 miles, which is, however, but half of the Saguenay territory fit for colonization, we have seen around us, without interruption, beautiful fields of wheat then in maturity, and behind these fields a vast and extensive forest, which will also be very soon transformed into fields covered with rich harvests.

“Fine and easy roads communicate with all these new parishes, and extend to the most remote settlements. In one word, the roads in the Saguenay are perfect. What is needed, and what the population of this important territory, which will be soon the most productive of the Province, ask, is a communication as short as possible with the City of Quebec, where they may have a market.

“Impressed as I am with the actual importance of this territory and of its future I do not hesitate to say that the Province has the greatest interest to hasten

“ a direct communication between Quebec and Lake St. John, inasmuch as large sums of money have been expended on the Lake St. John Road, and that they will be of no use if the works are not completed.

“ Up to this day \$81,476 have been expended on this road of Quebec to Lake St. John. It is good for vehicles for about two-thirds of its extent.

“ The moment has arrived when it is necessary to do something to encourage the population of the Upper Saguenay and get it to understand that their interest is united with that of the rest of the Province, and I am of the opinion that in completing this colonization road from Quebec to Lake St. John, we will attain that result. Another result, also certain and important, is, that once the road is completed and opened for the traffic, the settlers will take advantage of it to go and establish themselves at the Lake St. John. They will have then a direct line and will travel with their own carriages and provisions, with little or no expense. In fact this road will considerably help the settlement of the Upper Saguenay.

“ We must not, however, abandon the idea of having a railroad from Quebec to Lake St. John. I am of opinion that the colonization road will, in contributing to the increase of the population, and the production of the Upper Saguenay necessitate the railroad and impose it on public opinion. The gradual increase in the number of those who will visit the Upper Saguenay will have the effect of bringing forth before the country the richness and importance of that part of the Province and the advantage of annexing to us this territory by *iron bands*. Therefore, the opening of a road for vehicles in direct line between Quebec and Lake St. John, will be the surest means to arrive at the construction of the railroad so much desired.”

(Extract from the Statutes of the Province of Quebec.)

31 VICTORIA, CHAPTER 20.

“ AN ACT TO ENCOURAGE SETTLERS.”

[Assented to 24th February, 1868.]

“ Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows:—

“ 1. From and after the passing of this Act, public lands which shall be conceded and granted to *bonâ fide* settlers in virtue of and in conformity with the provisions of 23rd Victoria, chapter two (*now the 32nd Victoria, chapter eleven*), intituled: “ An Act respecting the sale and the management of the Public Lands,” and in conformity with the Orders in Council and regulations arising from the said Act, shall not, except for the price of such lands, be mortgaged or hypothecated by judgment, or otherwise, nor seized, nor sold under authority of law, for any debt or debts contracted previous to the grant or concession of such lands, articles 2,034 and 2,121 of the civil code to the contrary notwithstanding; and, further, no one shall seize or sell under authority of law, for any such debt, the right, title or interest of any settler in or upon any land which shall have been so conceded to him.

“ 2. From the time of the occupation of any lot of land, and during the ten years following the issue of patents for the land of settlers conceded or granted aforesaid, the following chattels shall, without prejudice to article 556 of the code of civil procedure, be exempt from seizure under any writ of execution issued out of any Court whatsoever, in this Province, viz:—

“ 1. The bed, bedding, and bedsteads in ordinary use by the debtor and his family

" 2. The necessary and ordinary wearing apparel of the debtor and his family.

" 3 One stove and pipes, one crane and its appendages and one pair of handirons, one set of cooking utensils, one pair of tongs and shovel, one table, six chairs, six knives, six forks, six plates, six teacups, six saucers, one sugar basin, one milk jug, one teapot, six spoons, all spinning wheels and weaving looms in direct use, and 10 volumes of books; one axe, one saw, one gun, six traps, and such fishing nets and seines as are in common use.

" 4. All necessary fuel, meat, fish, flour and vegetables provided for family use, not more than sufficient for the ordinary consumption of the debtor and his family for three months.

" 5. Two horses or two draught oxen, four cows, six sheep, four pigs, eight hundred bundles of hay, other forage necessary for the support of these animals during the winter, and provender sufficient to fatten one pig and to maintain three during the winter.

" 6. Vehicles and other implements of agriculture.

" 7. The debtor may select from any large number of the same kind of chatte's the particular chattels to be exempt from seizure, in virtue of this section.

" But nothing in this section contained shall exempt from seizure any of the chattels enumerated in sections 3, 4, 5 or 6 of this section, in payment of any debt contracted in respect of such said chattels.

" 3. Nothing in this Act shall be held as exempting any land from the payment of, or being sold for the rates or taxes which now are or in future shall be legally imposed thereon.

" 4. All patents which shall issue for any land conceded or granted as herein before set forth, shall state the name of the person to whom such was so conceded or granted originally, and the date of such grant or concession.

" 5. If a settler occupy for more than five years a lot of land before the issue of the patent, the time over and above these five years shall be subtracted from the delay of ten years following the issue of the patent, mentioned in section two of this Act.

" 6. The provisions of this Act shall apply to the widow, children and heirs of the settler as constituting his representatives."

MR. J. Y. SHANTZ, CHAIRMAN OF THE MENNONITE COMMITTEE.

THE MENNONITE SETTLEMENTS OF MANITOBA, &C.

THURSDAY, March 29th, 1877

Mr. JACOB Y. SHANTZ appeared before the Committee.

By the Chairman :—

Q. What is your name?—My name is Jacob Y. Shantz.

Q. Where is your place of residence?—In the town of Berlin, Waterloo County.

Q. What occupation do you follow?—I am principally a farmer; but I also do some manufacturing.

Q. Have you been out in the Province of Manitoba?—I have.

Q. What object had you in view when you visited Manitoba?—Well, I was sent; out by the Government; I accompanied a Russian deputation in the first place and I am Chairman of the Mennonite Committee of Ontario.

Q. It was a deputation that had come from Russia?—Yes.

Q. You accompanied them to Manitoba?—Yes.

Q. Did your travels extend to any part of the Western States; to any portion of the United States?—I have been there.

Q. What was the object of the deputation in proceeding there; what information were you calculated to gather?—Well, the deputation were of course in search of a good location; they wanted to find a good part of the country.

Q. This was for the Mennonites?—Yes.

Q. They were Mennonites who were about to remove from Southern Russia?—Yes.

By Mr. McNabb:—

Q. These were the deputation of the Russian Mennonites, were they not?—Yes.

Q. How many were there in the deputation?—There were twelve.

By the Chairman:—

Q. What States of the Union—what parts of the territories of the United States did you travel through?—We went through portions of Dakotah, Minnesota and Nebraska.

Q. And what did you do afterwards; you went to Manitoba, did you not?—We went to Manitoba in the first place; we went from here to Manitoba direct.

Q. After having examined the quality of the land in the United States you took these Mennonites to the Province of Manitoba, did you not?—I took the greatest part of them there; but some of the deputation preferred to locate in the States of Nebraska and Kansas.

Q. Do you consider the Province of Manitoba to be more favorable for settlement than the States of Nebraska, Dakotah or Minnesota?—In my opinion, I consider the part of Dakotah stretching along the line of the Northern Pacific Railway, not far from Red River, and the Province of Manitoba, just equal. I think that they have the same soil.

Q. That is the territory lying on Red River?—Yes.

Q. You think they have the same quality of soil?—Yes.

By Mr. Bain:—

Q. I suppose that they are really the same territory; they are only separated by an imaginary boundary line?—Yes; I suppose that they are the same. I might add this: as to the deputation which I accompanied, they divided; about half of them chose Manitoba, and the other half selected Dakotah, on the line of the Northern Pacific Railway. The reason why a portion of them preferred this part of the

country was on account of the greater convenience of settling there. It was a section which was much more convenient for starting settlements.

By a Member :—

Q. This was on account of the Northern Pacific Railway?—Yes.

Q. This relates to a portion of Dakotah?—Yes; I accompanied them on their trip. When I was sent by the Department I was only to go with them to the Province of Manitoba, but they wanted me to go with them in the United States to act as interpreter; and I went. We passed over different roads, we were taken on by the managers of the railroads in those parts; we were taken by the railways to various tracts of land, and at certain places we got out and went into the country for miles, in order to examine the land. Of course we saw a great deal of good land, but all agreed that the land farther north was a little superior to it, this was in Minnesota and in Nebraska. We went on the Union Pacific. I suppose for two hundred and ten miles; we stopped at different places and went out into the country twenty miles immediately along the railway lines; we saw some very good land, but it was always agreed that the soil up to the north-west of it was preferable.

By a Member :—

Q. You mean Manitoba when you speak of the North-West?—Yes.

Q. You considered that the soil of Manitoba was preferable?—Yes. We were then taken down another road—I forget what they call it—in Nebraska. We were taken fifty miles beyond the railroad and down near the Kansas lines. We went to the vicinity of a river where a settlement had been started and we were shown around the land.

Q. Was this prairie land?—Yes, it was all prairie land. But the deputation just kept to the same conclusion—that the soil of Dakotah and Manitoba was preferable, and those who had decided on locating in Manitoba of course went there with us, and those who had at that time decided on Dakotah went there. But when they commenced to emigrate a change took place. They came out at the time when the company was scattered and a rumpus created in it. There was another thing that happened. It was reported that they could not get water along the location, and that the Railway Company had to draw their water to various stations along the line, so they did not trust the representations of the company which was then almost ruined, and somehow or other they went to Kansas. A good many went to that State and some came to Manitoba.

By Mr. Jones :—

Q. Could you state what proportion of Mennonites went to the United States and what proportion of them came to our country?—I do not know exactly what proportion of them went to the United States.

Q. No doubt, but give it as nearly as you can?—As nearly as I can state about seven hundred families went to the United States, and they settled in different places. One settlement was located in Minnesota, another in Nebraska, and a third in Kansas.

Q. And how many of them came to our country?—Twelve hundred families came to our country.

By Mr. Hagar :—

Q. Then did not any of them settle in the State of Dakotah?—A few did—

about twenty-five or twenty-six families settled there and the most of them are those that came from Manitoba after they went up there. Between twenty and thirty families did so. The reports circulated were that a great many of the Mennonites left Manitoba, but there were only between twenty and thirty families that took this step. I knew eleven families who, after they had settled in Manitoba, returned and settled in Dakotah; but these were poor families who had no means to commence with, and as there was no work to be had in the place where they had gone, they returned to Moorehead on account of the living there. A few others, besides, stopped there and never went up to Manitoba. A few families among those I speak of as having left Manitoba, had friends, or brothers, or fathers, or children settled in Nebraska, Minnesota or Kansas.

Q. I suppose that the market for farm produce in Manitoba is more favourable than it is in Dakota?—I suppose it is at the present time, on account of the immigration there. It is wanted there. But as to the future, I do not know. I suppose it will be about the same; that is my opinion.

By the Chairman :—

Q. What is the Mennonite population of Manitoba, to the best of your knowledge?—To the best of my knowledge, it is about six thousand five hundred. It is either six thousand four hundred or six thousand five hundred. Six thousand seven hundred went up to the Province. I had the record of every one; but some few left, as I have already stated.

Q. Where are they located?—There is one settlement—and it is the largest settlement of all, being composed of about seven hundred families—located, on the east side of Red River, on what is called Rat River, about thirty miles east of Winnipeg; and there is another settlement on the west side of Red River, near the boundary, or right on the boundary line of Dakotah, and situated about seventy miles from Winnipeg.

Q. That is near the Pembina Mountains?—Yes.

By Mr. Hagar :—

Q. Did I understand you to say that the railroad companies in the United States took the members of the Mennonite deputation through the country free of charge, and showed them all their land?—Yes.

Q. They were evidently desirous of turning the stream of this immigration in their favour?—Yes; and they took the deputation about in the very best style.

By a Member :—

Q. Do they give free grants to settlers in the United States?

*Mr. Hagar :—*The railroad companies do not do so.

*Witness :—*That is not done by the railway companies.

By Mr Jones :—

Q. I suppose, however, that these companies sell their lands on very reasonable terms?—Yes.

By Mr. Hagar :—

Q. What was the price charged per acre for the lands which they took you to see?—They charged four or five dollars per acre. These lands were located in a

tract comprising twelve townships. The price on the average was put down at four dollars per acre.

Q. What were the terms of payment?—I think they had to be paid for in seven years.

Q. Interest was charged of course?—Yes.

Q. What was the rate?—I think that the rate was seven per cent. But then you must recollect that every other township belonged to the Government of the United States; and of course these they got free of charge.

By Mr. McNabb :—

Q. These were equally good lands and equally capable of cultivation?—Yes; the way they do is this: one section of land is appropriated for the company and the next section is retained by the American Government.

By Mr. Hagar :—

Q. Every other section of the township is held by the company?—Yes; every other section.

Q. That is six hundred and forty acres?—Yes; equal to four homesteads.

By the Chairman :—

Q. How do the Mennonites locate themselves; do they scatter themselves over the country as farmers do in Ontario, or do they build little villages and group themselves together?—Most of them build villages and live middling close to each other.

Q. What is about the extent of a little village of theirs?—From sixteen to twenty families live in them; that is about the usual number, but sometimes as many as thirty families live in a village.

Q. Then their lands extend out from the village for miles around, probably?—Yes; around the villages they have their lands; but those who are settled on the Pembina Plains, take a different way from the others, because the land in this part is, almost every acre of it, the very nicest and best cultivatable land; hence they can easily do it, they here have divided the sections into quarter sections, and homesteads instead of into squares. The land is divided into strips a mile through—a mile long and one-quarter of a mile broad; and of course the settlers generally build their houses on the front of their lots, or both sides of the road. Thus four sections would enable sixteen families, and six sections, twenty-four families to live in a village.

Q. How many townships have been set apart for the Mennonites on Rat River?—They have eight townships there.

Q. And what proportion of timber is found on these eight townships?—Well, there are two of these townships which have a good deal of timber on them. The timber, however, is small; but these were not preferred for farming purposes; and the Mennonites did not locate on them.

Q. As a rule, then, they settled on the open prairie?—Yes.

Q. Do they suffer any inconvenience from want of fuel?—They have not suffered any so far.

Q. Then they are perfectly satisfied in this respect?—Yes.

By Mr. Jones :—

Q. Have you seen any of those settlers since they settled there ; have you been up there since they made these settlements ?—Yes ; I have had communication with the most of them who went up there.

Q. And those who were there, were they really satisfied with the progress which they had made ?—Why, they were well pleased with the country ; I am almost daily in receipt of correspondence from them when I am at home ; and they have never expressed any dissatisfaction in their letters, as yet. Their statements are inclined much more the other way. They are confident that the soil is good. Some say that the winter is pretty long and severe, but they approve of the good soil and the good crops that are obtained. That is about the way in which they write me.

Q. Is there any probability that their numbers will receive large accessions from Russia ?—It depends very much on circumstances. A great many more would like to come to this country, but according to the correspondence of which I have been in receipt, they cannot come out unless they obtain assistance. They have had, up to the present two failures in Russia ; for two years the crops have been a failure in that country, and this fact places these people in such a position that they have no means to come out to this country, and for what they have to sell, there are no means in the country to buy it with.

Q. Are you at all aware of the amount of assistance that would be required to bring out families composed each of five persons to this country ; do you know what would induce them to emigrate to this country ?—Families of five persons each.

Q. Yes, say five, the head of the family, and five or six in all ?—Well, I do not know I am sure how much would be required for that purpose. Of course they can be induced to come to this country, for they want to come to it ; and if they could only get assistance, they would do so.

Q. No doubt, I did not suppose that you would be aware, but I thought that you might know what amount of assistance would be needed ; what do you think would be the expense which it would be necessary to incur per head to bring them from that country to this, provided that free grants of land were offered to them as inducements to emigrate ?—Well, I would have to judge as to that by what was given to those who have already come to this country. I do not think that they would want anything more than has been extended to the Mennonites who are in Manitoba.

By Mr. Hagar :—

Q. What was that, do you remember ?—The Secretary of the Department can give you that information better than I can.

*Mr. Lowe :—*The cost of bringing them to this country was altogether, including the loan and all the assistance given, about \$32 per head in round numbers.

*By a Member :—*But the loan has to be paid back ?

*Witness :—*Yes.

*Mr. Lowe :—*The direct cost to the Government is about half the amount I stated.

By Mr. Jones to Witness :—

Q. That would be about sixteen dollars per head ?—Yes.

By Mr. McNab to Mr. Lowe :—

Q. Besides the loan made to them, the cost per head would be about sixteen dollars?—I have taken the figures, and the outside figures are, in round numbers, two hundred thousand dollars. The loan amounted to one hundred thousand dollars, and the direct assistance given also to about one hundred thousand dollars. But neither was the whole of the loan expended, nor was there quite the amount of one hundred thousand dollars expended. In round numbers, it cost about thirty-two dollars per head, at the outside, including both the loan and the amount charged to the service of Immigration, to bring them to this country and settle them.

By Mr. Jones to Witness :—

Q. That is for both young and old?—Yes, sir, that is the case. There are about one hundred and fifty of the best farms in the County of Waterloo, in the Province of Ontario, pledged to the Government on bonds drawn out with the Department for the repayment of that loan in ten year's time.

*Mr. Jones :—*That is the principle on which it is worked; it is supposed that the loan will be paid back, and the repayments will amount to about sixteen dollars per head.

*Mr. White (Hastings) :—*The cost per head is about thirty-two dollars.

*Mr. Jones :—*That includes the loan.

*Witness :—*Yes, that includes the loan.

Mr. White (Hastings) :—

Q. Then one half of what was expended will be paid back?—Yes; they required assistance and the loan besides

By the Chairman :—

Q. In the event of securing a good crop or two in Manitoba, the Mennonites may be expected to return, shortly, a portion of the money loaned them; do you not think that this will be the case under such circumstances?—Well, this will be done no sooner than at the time set down in the agreement, and that is five years; because it will take them some time to get a good start. The Government hold ample and sufficient security to the extent of the loan, and every cent will be repaid.

By Mr. McNabb :—

Q. What is the nature of this security?—It is composed of about one hundred and fifty of the best farmers in Canada, and none of them are worth less than from eight to fifteen thousand dollars each.

*Mr. McNabb :—*That is enough for the purpose?

*Witness :—*This is the security given, and the loan bears interest.

*Mr. Lowe :—*The understanding was that each of the signers of the bonds was only to sign for about one-tenth of the value of his property.

*Mr. McNabb :—*Was the loan to be repaid at once?

*Chairman :—*It is to be repaid in four instalments; during the first five years nothing is to be paid.

*Witness :—*There are five instalments to be paid afterwards.

A Member :—What is the total sum which is to be repaid ?

Chairman :—It is less than one hundred thousand dollars.

Mr. McNabb :—How long is allowed for the payment of each instalment ?

Mr. Lowe :—The repayments extend over a period of ten years. For the first four years, no part of the advance is to be repayable, or is to be demanded. The whole loan is to bear interest at six per cent. After four years the principal and interest are to be capitalized, and the amount divided into yearly instalments, so as to extinguish the debt in six years after the expiry of the first four years. The interest is to be so calculated as to make six per cent. on the amount actually held after the four years.

A Member :—Do they intend to draw any more on the loan ?

Chairman :—They would like to draw a little more in Manitoba—from five to six thousand dollars.

Witness :—They would like to get another five thousand dollars, but I believe that there will be no call on any more.

By Mr. Jones :—

Q. Taking the soil, climate, markets, laws and the institutions of this country into account, what do you think of their circumstances ? If you yourself were about to remove from your location at Berlin, which country would you go to : the American or the Canadian side of Red River ?—I would go to the Canadian side without any doubt.

Q. You would consider it preferable in every respect ?—Yes.

By Mr. White (Hastings) :—

Q. They are altogether well satisfied with their lands, are they not ?—Yes.

Q. And they are well satisfied with the treatment which they have received at the hands of the Canadian people ?—Yes ; they are.

By the Chairman :—

Q. What is the general appearance of the eight townships you have just spoken of on the Rat River settlement ?—It is generally good land.

Q. It is undulating and rolling ?—It is a little rolling.

Q. There is good natural drainage ?—Yes ; there is some low land, a great deal of flat land ; and the Mennonites seem to admire that sort of land.

Q. As a whole, it is a fine tract of land ?—Yes.

Q. This applies to the whole eight townships ?—Yes ; but it is a little different in different parts of the country. In some settlements the soil is a little harder than it is in other settlements. I myself would prefer the other settlement, the Pembina settlement.

Q. What is the extent of the Pembina settlement ?—I may say that this settlement, in my opinion, is located on the best and nicest tract of land, that is for one so large in extent, that I have ever seen in all my travels.

Q. This is at Pembina ?—The settlement extends out from that river to the Pembina Mountains, as they are called, though we would term them little hills, for

about thirty miles. I may say that this part of the country is almost just like one nice level field. It is also high land, and almost all plough land.

Q. It is rolling prairie?—Yes.

Q. It is all fit for agricultural purposes?—Yes. The objection first taken was that there was scarcely enough hay land in that section for them, but when they went on one side of it, they found a great big marsh, and that pleased them; there was hay land in this part.

By a Member :—

Q. The winter there is not quite so cold as it is in Russia?—They say that the winter is not as rough as it is in Russia, but that it is longer. I might add that beyond this settlement and around the Pembina Mountains, Canadians are settled. Canadians will only settle where there is timber, and that is the reason why this plain was not taken up before.

Q. Then these people are not so desirous of securing such an extent of timbered land as our Canadians?—They are used to living on land without timber, or even within a hundred miles of it.

Q. Can they do with very little fuel?—Yes; they could do with none at all when they once get started; in the first place some of them when they get prairie grass beat and dry it, and use it for fuel, and the remark is made by them: "when we get started a few years, we do not care for wood for fuel," they burn straw and manure. The Canadians contend that the land up in that part of the country does not want manure.

By the Chairman :—

Q. In their peculiar structures or fire places they burn something of that description?—Yes; they build a stove or what we might call an oven of brick. Of course, they have not good brick at present, but they will dry the clay and use it for the purpose, I have seen the women take the clay and mould and dry it; they build their stove with it. When they have built their little house they generally have, when the door is placed, a small hole for rubbish and stuff of that sort to be placed in. The mouth of this stove is there and the other end comes into the room; if they have two rooms they have it in the partition. It is built in for six or seven feet, it is about two feet broad and six or seven feet high, and then the fire place is below; the flames come in and go out above; the chimney comes out here, and with straw or hay the stove will be heated in about half an hour during the morning; a good big armful of straw will do it.

By Mr. Hagar :—

Q. The bricks will be heated by this means?—Yes; it is done in about half an hour, there is a constant flame during this time, and when it is heated up it will keep the house warm they say, in the coldest weather until evening.

Q. Then the stove retains that heat?—Yes.

By Mr. McNabb :—

Q. How thick is the brick wall?—It is one brick thick; they have it open at the side and in front a cast iron plate, sometimes this is sheet iron when they cannot get any better material. In the morning they do a little cooking while the heat is in, and for the making of the dinner they have a place outside with a small grate, into which they put a little fire; they cook their dinner in it. This has been explained to me, and I have seen them do it.

By a Member :—

Q. Are the ashes used for manure?—They contend that they do not want manure for their lands.

By Mr. Hagar :—

Q. They burn their manure in these stoves or ovens with straw—Yes.

Q. I suppose they use the manure after it has been dried?—The manure is pressed, set out and dried.

By the Chairman :—

Q. How many little villages have they now in the Pembina settlement?—In the Pembina settlement they have twenty-four villages.

Q. How many have they in the Rat River settlement?—I cannot exactly state; but the population is larger in this section. I think I have heard mention of twenty-six villages situated there, but I am not precisely aware that this is the case.

Q. Then, they have altogether about fifty villages?—Yes.

Q. And in each village they have from sixteen to twenty families?—Yes; this may, perhaps, be the case. Of course, when they started some of them had not a full number; but afterwards they had friends who came along and joined them.

Q. Their farms are not fenced, are they?—No.

Q. How do they manage with their cattle and crops?—They herd their cattle. That is one reason why they want to settle in villages. They have one herdsman for each village.

Q. They take turn about in herding their cattle and in protecting their crops, do they not?—I do not know exactly that that is the case.

Q. At all events, they do herd them?—Yes.

Q. They have nothing fenced except a little garden or yard?—No; and that is around the house.

Q. How are the villages arranged?—Their houses are placed about one hundred feet back from the street; the distance may, perhaps, be a little more.

Q. They have plants placed in the yard, or they intend to do so?—You could see plants there even during the first year of their settlement. There are trees to be seen in them.

By a Member :—

Q. Speaking of herding, how do they propose to regulate the grazing and the ploughing?—Particular pieces of land are devoted to grazing, but of course they have enough for this purpose just now outside the limits.

By Mr. Bain :—

Q. A certain strip of land is taken for it?—Yes.

Q. The practical result, I suppose, is, that they form a strip and graze a strip of their property?—They can change them.

Mr. Bain :—They will have to change pretty much together. If they formed a strip and grazed a strip alternately, I do not see how they could keep the stock out of their crops.

The Chairman :—The system they have is followed in France and Germany.

Mr. Bain :—I understand that. I want to find out whether there is any rotation. I fancy that they follow pretty much the old fashioned principle which prevailed in Canada. There was certain farming land and certain grazing land, and farmers kept at it until they got out of the land all that was in it.

By the Chairman :—

Q. Are there good springs and water in these settlements; is well water easily procured there?—There is generally good well water, in this Rat River settlement. I know that in one village—it was the first village which was started—they dug wells, and one man dug a well thirty feet in depth. He got water, and the well overflowed. It does so yet. It supplies enough water for the whole village. I saw it, and it sends quite a stream across the street. The people generally find good wells.

A Member :—They could almost irrigate the soil during a dry season.

By the Chairman :—

Q. Do these settlers calculate upon cultivating a growth of timber in their settlements?—Yes, they speak of it at least; they have commenced to plant fruit trees on trial. Last year, I sent out three hundred trees to them.

By Mr. Orton :—

Q. Is the water good in every locality?—It is generally; sulphur wells are found now and then.

Q. Alkaline water is met with?—Yes.

Q. But the water is generally pretty good?—Yes

By Mr. Hagar :—

Q. What kind of fruit trees were sent out to these settlements?—Apple and cherry.

Q. The harder varieties were chosen for the purpose?—Yes; I had a letter lately from them asking for twelve hundred trees of various kinds—plum, apple, cherry and pear.

By the Chairman :—

Q. The Mennonites who are now in the country—these six thousand five hundred people—are well satisfied with their lot, and those who cultivated the land last year had good crops; is not this the case?—Yes.

Q. This was the only crop they have had since they came to the country?—Yes; I might say that it was the only crop they have had. It was only the year before that they came in there, and that was the grasshopper year. In the Pembina settlement I think that there were four villages which were visited with a very severe hail storm last year, and the people living in these four villages lost their crops; and if it had not been for the hail which fell there last year they would have had good crops. I just received a letter last Saturday evening from one of the settlers. He left here in Ontario and went up there a year ago; that was last spring;

he sowed six acres of land with wheat, and his crop amounted to one hundred and eighty bushels; I do not know how much barley he obtained.

By Mr. Hagar:—

Q. That is a pretty good yield—thirty bushels per acre?—That was his crop; it was a good one.

By the Chairman:—

Q. Do they cultivate the land to any great extent; some of those who have been there from the very outset do business on a large scale, I believe?—Some do so.

By Mr. Jones:—

Q. Are you aware what was the value of wheat in that part last fall; what did they realize for their crop?—I think that wheat sold there last fall for about seventy cents a bushel.

By the Chairman:—

Q. Have they been writing you, Mr. Shantz, as to what is the general opinion their with respect to the grasshopper plague?—Well, I do not exactly know what is their opinion in this regard; but they hope that they will not be troubled with them too greatly. They say that there was not left a blade of grass the year they came; but they have good hopes for this year.

Q. Had they grasshoppers in Russia? are they troubled with them there?—Yes; sometimes this was the case.

Q. It is now three or four years since you have had business with these people and since you went out to Manitoba with them?—Yes; in 1873 I went out there with the Mennonite deputation. I was out there in the fall of 1872, but I was then only accompanied by a young man from Russia.

Q. Do you know whether summer frosts are likely to be troublesome out in these territories with reference to the cultivation of wheat or root crops?—From all the information I have received, it is not a bad country at all as far as spring or summer frosts are concerned. During one year when I was up there in June a frost come and nipped the potatoes in some low lands, but on the higher ground this did not occur, but notwithstanding this, these damaged parts had a fair crops of potatoes.

*By The Chairman:—*Such frosts occur here in the more favored spots of Ontario.

*Witness:—*I gathered all the information I received on the subject when I was up there for the first time, and I though the best information I obtained was given me by some good knowing old Scotch Half-breeds. They are very nice men; I occasionally met them; they had lived there many years and knew all about the country. I made enquiry about these summer frosts and they said they were not at all serious, and they did not affect the crops to any great extent. The Scotchman, who was the head of this family, had gone out there in his younger days and had married an Indian wife. They lived in a very simple manner and had the largest farm that I met with, owned by any member of that class. The farm was composed of ninety acres, which were under cultivation. The owner had lived there forty-two years without ever using a particle of manure on his land. I asked him what he did with his manure, and he replied that he threw it into the river, until last year, when the Government forbade the practice.

*The Chairman:—*A law was passed to this effect in Manitoba.

Witness:—This farm had an ordinarily good crop that year. I simply saw the wheat and oat stock, and they looked very well.

By Mr. Hagar:—

Q. The residents of these Mennonite villages are not all agriculturists, are they; have they a due proportion of mechanics among them?—Yes; they have many mechanics amongst them—indeed, each one is his own mechanic.

Q. And every family has its own land?—Yes. I found a great many of these farmers who were capable of making a waggon, including iron and wood work.

Q. They are very ingenious?—Yes.

By Mr. Jones:—

Q. Was the Scotchman, of whom you spoke, very well to do; was he considered very well off?—Yes; he was thought to be well off. There was no opening for the use of money at the time when he went into the country. In those days there was nothing sold, except perhaps a little produce to the Hudson's Bay Co. Very little was done in this respect. He had four or five very good horses; and he was very well situated for one of his class. The best of them live in a very simple way. This man's house was used as a stopping-place, but beds were not provided for his guests.

Q. People will be more likely now, as the country settles up, to be able to accumulate wealth?—Certainly.

By the Chairman:—

Q. Until quite recently—and even after Confederation—there was very little sold in that part of the country, save to the Hudson's Bay Company?—In former times the people only cultivated enough to live on.

Q. There was no encouragement to cultivate anything?—No.

Q. How do the winters in Manitoba compare with those of Ontario, as far as the housing, protecting and feeding of stock are concerned?—I can only answer that question from hearsay.

Q. But you will have reliable information from people settled there on this point?—Of course, hay and grass are very abundant, and they have good land for raising them. They have stables to keep their stock in; they are made of wood, are well enclosed, but the hay is stacked outside. The Half-breeds have good strong horses, or Indian ponies, as they call them. In the fall of the year they let them out, with the exception of one or two kept for use, and are let take care of themselves until spring. Some of the Half-breeds raise a considerable number of horses. I had an opportunity of seeing several of them brought in during the latter part of May, and one of them was intended for a daughter of Lieut.-Governor Morris.

Q. That had been roaming at large all winter?—Yes.

By Mr. McNab:—

Q. Is there any place where they could get shelter during rough weather?—Yes; they can go off where there are bluffs.

By the Chairman:—

Q. There is a little under-growth of grass?—Yes; and the animals take off the snow; as regards cold, I am fully convinced that the air is different to what it is here. The first year I was up there, the two last days of November were very cold, at least

they said so, and no doubt the thermometer was down to 29° or 30°. I was riding on the prairies in an open carriage these two days. It was cold, and what puzzled me was, that I met three large herds of cattle that had been out pasturing; I would have supposed here that cattle would freeze to death being out in such weather.

Q. There are no piercing winds, and the air is more uniform?—Yes, more uniform; it is a dry cold air.

Q. What kind of timber did you observe in the country you have been just describing?—Mostly poplar, though of course on the rivers there is oak and elm, and on the Pembina Mountains there is some nice oak, but generally it is poplar.

By Mr. Jones, (Leeds):—

Q. Any ash?—Yes, on the rivers, but I did not notice any on the bluffs in the country.

By Mr. Orton:—

Q. Do they grow large trees?—No; rather small.

Q. And very thick, I suppose?—Yes; very thick.

By the Chairman:—

Q. Do you know anything about market facilities, and you must know the price of farm stock, because you have purchased for the Mennonites so much?—Yes; at first the prices of oxen and waggons were high, but after that they were not so very high. With regard to waggons and ploughs, I went to the States, to Indiana, and bought there in large quantities and got them very cheap, so cheap that I delivered them for \$65, first class waggons without a box.

By a Member:—

Q. What are Indian ponies worth, and is there a ready market for them; I suppose the farmers raise them for sale?—I think they sell, or they did at that time, for \$60 to \$80.

By the Chairman:—

Q. They are not what are called Indian ponies here, but a kind of a half-breed horses?—Yes.

Q. They are double the size of our Indian pony here, and have a good deal of muscle?—Yes.

By Mr. Jones (Leeds):—

Q. Something of the French breed?—Yes.

*Mr. Hagar:—*Serviceable?

*The Chairman:—*Yes; more so than some of our imported horses.

By Mr. Bain:—

Q. Any large market except local?—No.

By the Chairman:—

Q. Are your people healthy, and do they consider the country healthy, or do you know of any disease peculiar to the country?—It is generally considered healthy;

these people think so ; considering the simple way they have of living, it is rather singular how they keep their health ; a good many of them have no floors to their houses.

By Mr. McNab :—

Q. Of what material do the Mennonites generally build their houses ?—In the Red River settlement they are mostly built of logs. There is some tamarack there which furnishes nice building material, and prairie grass makes a good thatch. It is very warm. In the other settlements where timber was plentiful they made a frame and the poorer classes put up posts, and covered it with turf, with a couple of windows.

By the Chairman :—

Q. As a rule are not the log buildings being replaced with frame ?—I think so.

Q. They are commencing to put up frame ?—Yes, those that are able to do so. They say that as quickly as they can they will make brick.

By Mr. Orton :—

Q. Is there good clay for brick ?—Yes.

By the Chairman :—

Q. Have you any idea of the amount of money the Mennonites took out—or valuables ?—I should know, for I think I changed it all for them.

By Mr. Hagar :—

Q. It is mostly spent ?—Yes, in the way of living and implements. They brought out a little over \$500,000.

By the Chairman :—

Q. In money ?—Yes.

Q. And their personal effects would be worth a great deal more ?—It would be more. Their money was all spent in clothes, oxen, implements, &c.

By Mr. Jones (Leeds) :—

Q. These 6,500 people brought out \$500,000 ?—Yes.

By the Chairman :—

Q. They have property which represents that now ?—Yes.

By Mr. Cunningham :—

Q. Are they sure to find a market for all they raise ?—They will now.

Q. Where will they export to, by and by, after supplying the home market ?—I was engaged in buying wheat for the grasshopper sufferers at Moorehead, a year ago last fall, and they quoted their prices at 15 cents less than at Milwaukee, which is the principal western market, I believe. As the freights are very high now, there being no opposition, we could really suppose that in future the difference would not be more from Manitoba than from Milwaukee, because we are no further from the head of lake navigation than the American districts are from Milwaukee or Chicago.

By the Chairman :—

Q. If that railway is completed—the Northern Pacific to Pembina, &c., and the Pembina branch to Winnipeg—what do you suppose grain could be brought from this settlement to Duluth for?—Supposing that both railways are opened, I think it could be brought for 15 cents to 20 cents a bushel.

That would be from 6 cents to 7 cents a bushel from Duluth to Toronto by water, so that the only difference would be one quarter of a dollar per bushel?

*Mr. Cunningham :—*Above Ontario rates?

*The Chairman :—*Yes.

Q. And the grain is much superior?—Yes.

*Mr. Cunningham :—*And they produce so abundantly?

*The Chairman :—*Yes.

Q. Have your people mills?—They have put up a little bit of a windmill and a twelve-horse-power engine this last summer in the Red River Settlement.

Q. Have they got the improved machinery, bolts, &c., or is it merely rough?—They have in the steam mill, but not in the windmill. I had a letter not very long ago, this winter, which stated that 1,700 bushels had been ground for their own people.

By Mr. Hagar :—

Q. It was unbolted—sifted by hand?—Yes.

By Mr. Bain :—

Q. Were you up in summer during harvest time?—Yes.

Q. They had not much rain then, but the dews were very heavy at night?—Yes.

Q. How does that affect the colour of their barley? Has it a tendency to make it dark in ordinary dry seasons?—Not to my knowledge.

Q. You did not notice it complained about?—No; I did not. The dews are so heavy, however, that after lying all night on the grass, I found my blanket wet through.

By the Chairman :—

Q. Are there many domestic animals—pigs, cattle, &c., such as we have here?—They are getting them as fast as they can.

Q. Each family?—At first they could hardly get them on account of the price; but last season they could get them very reasonably.

Q. They have hogs, and even fowls?—Yes.

Q. With all the other comforts of an old settlement?—Yes; and they are trying all the kinds of grain they can get hold of.

By Mr. Hagar :—

Q. Do they go into root crops any?—Yes; potatoes, turnips, &c.

Q. And raise cabbage, turnips, onions, &c.?—Yes, very much; that is the first thing they look to.

Q. To get a good vegetable garden?—Yes; by their order I got \$50 worth of vegetable seed.

By Mr. Bain :—

Q. How do they preserve potatoes and turnips—does not the frost penetrate pretty deeply into the soil?—It seems it does; but I saw a hole in one corner of their houses in which to put them.

By Mr. Cunningham :—

Q. Your people seem inclined to live within themselves; they do not marry with any other people; are they forbidden to do so?—They are not forbidden, but they feel that way as most other classes do.

Q. Do you think they will ever mix with the people of this country?—There is no doubt they will. They hire out and let their girls do service work in Winnipeg and all round; and they “fall in.”

Q. The girls are not forbidden to take a good chance if they can get it?—No.

Q. You have your own system of education and your own schools?—No; we don't want it in Canada.

By the Chairman :—

Q. You have that privilege?—Yes, but we don't want it here.

By Mr. Cunningham :—

Q. Do the young people grow up without education?—They have their own schools in Russia, because they just live among themselves. They have good schools in Russia, and most of the women can both read and write.

Q. Have they got good facilities for getting an education here?—Yes.

By the Chairman :—

Q. You have schools and churches here now?—Yes.

By Mr. Cunningham :—

Q. They are inclined to be a religious set of people?—Yes. The doctrines are the same as those of a good many other sects, with the exception of the “unresisting” doctrine. They take the Scripture just as you read it. If you take the New Testament you will find their doctrines. If they are persecuted they can “flee from one city to another.”

Q. Then you don't want any police?—No, not for themselves; but of course they live amongst others, and you don't find them bringing up their own friends before magistrates.

Q. They settle it in their own way?—Yes.

By Mr. Hagar :—

Q. They seldom have lawsuits amongst themselves?—None.

By the Chairman :—

Q. None whatever?—No; they settle their grievances amongst themselves. They are allowed by their own Church views to defend themselves when they think

it is not right; but they are not allowed to sue. They believe in overcoming evil with good.

Q. They heap coals of fire upon their heads?—But still they don't carry out their good principles sometimes; they are not strong enough.

Q. You have been out there several times, to Manitoba, have you not?—Yes, five times.

Q. What are the facilities for reaching Manitoba, and what is the expense?—I think the best way at present is by the lakes, by way of Duluth, Moorhead and the Red River.

Q. By the Northern Pacific to Moorhead, and down the Red River by boat?—Yes; they run down by rail to Fisher's Landing.

Q. That's to Grand Forks nearly?—Yes.

Q. What distance is Grand Forks to Red River Landing?—I think about 205 miles from Moorhead, but I forget how far Grand Forks is.

By Mr. McCraney:—

Q. What is the expense to Manitoba?—I think \$22.50 from Toronto.

By the Chairman:—

Q. You consider the country well adapted for stock-raising?—I do.

Q. As well as for the production of grain?—Yes, and root crops are an exception.

Q. Much superior to ours in Ontario?—So far as I have seen.

By Mr. Orton:—

Q. There would be no difficulty in keeping turnips, etc., in winter?—I should think not, because, when I was there, in June and July, they had excellent potatoes, etc., of the previous year, superior to ours in relish, and far larger in size.

By Mr. Hagar:—

Q. I have heard it stated that frost penetrates in winter to a great depth, and in many cases it hardly thaws out?—Yes, and there are reasons for that. In the fall of 1872 there was no snow, and when I left, on the 1st December, it was very cold, down to 30°; the frost, therefore, got deeper and deeper. The next year, when I was up there, a man who had been digging a well, said the frost had gone down seven feet.

By the Chairman:—

Q. That was in the city of Winnipeg?—Yes; there was a great handle made of that by a few opponents. When I got back, in August, I enquired whether the frost was out of the ground; I suppose it must have been, because I had such nice new potatoes; some think that aids to the rapid growth.

By Mr. Orton:—

Q. Some seem to think that the constant evaporation affords sufficient moisture to the soil?—Yes; as quick as the sun thaws out a few inches of the ground they begin to sow.

By Mr. Hagar :—

Q. As I understand it, they have very little rain there during the summer?—I have experienced very heavy rains in June and July.

Q. The soil is quite dusty then?—Yes.

By Mr. McCraney :—

Q. Do you think owing to the great depth of frost it would be a good country for fruit, such as apples, pears, cherries, plums, gooseberries, &c.?—I should judge so from what I have seen.

Q. When the country is cleared it will be better for fruit?—I believe so.

By the Chairman :—

Q. Have you met with wild fruit?—Frequently

By Mr Hagar :—

Q. What kind?—Plum, grape, and especially strawberries.

By Mr Cunningham :—

Q. There is a man who has cultivated fruit for forty-two years?—I have not met him. I met Mr. McKinley in the fall of 1872, who had a few trees of two years' growth. I sent up some last spring and they told me they grew very fine.

By Mr Hagar :—

Q. Do you remember what kind?—Snow apple, northern spy, and other hardy varieties of apples, &c.

Q. And crabs, I suppose?—A few crabs, and the Alexander and the Filman Sweet.

By the Chairman :—

Q. In your travels through Minnesota did you notice many thriving orchards?—Not many in the parts I travelled in; I travelled in the most unsettled parts.

Q. I suppose your people purchased fruit raised in Minnesota?—I don't know that they did, because in that portion of Minnesota fruit is not grown much yet; they mostly get it from Michigan; but I saw some nice fruit at the agricultural fair at St. Paul.

Q. The Half-breeds roam about with their few heads of cattle, &c.?—They are brought up in such a simple way that they are just about like Indians; they live almost without work.

By Mr. Cunningham :—

Q. They manage to get hold of a good deal of money sometimes?

The Chairman—Yes; some Half-breeds are very wealthy.

Mr McCraney—This matter of timber is most important.

Mr. Bain—Not up there, where they don't require any fuel to make them warm.

Mr. McCraney—No doubt this has a great influence upon the climate. I would like to know whether the country is adapted to the cultivation of the forest tree, such as the pine and the maple?

Witness—I don't know, but the poplar grows wonderfully fast. As regards timber, it would not be so important to our people; if the crops do well they can afford to lay by something for wood and coal, and then they can plant trees.

By the Chairman :—

Q. What can you get wood for per cord?—I believe \$2, and sometimes \$4 a cord in Winnipeg.

Q. Of course your people could get it much cheaper if they desired it?—I suppose so.

By Mr Hagar :—

Q. This poplar seems to thrive in that country; it is not exactly like our poplar here?—It seems to me to be a little better.

By the Chairman :—

Q. It grows very rapidly?—Yes.

By Mr. Hagar :—

Q. How about its durability for fences, rails, and the like of that?—It lasts about 15 years.

The Chairman—That is very good; it is something like basswood.

Mr. Hagar—Bass will not last that long.

By the Chairman :—

Q. From your own experience as a farmer, would you not prefer farming in Manitoba to your own section at Waterloo; that is, if your intention was to make money and a home at the same time?

Witness—Do you mean providing that our country was in the wild?

The Chairman—Yes.

Witness—Since I have learned what prairie is, I could not be induced to go into wood land; it takes too long to clear.

Q. You prefer prairie?—I do.

By Mr. Hagar :—

Q. A man can settle right down in the first year on prairie land, where as it takes almost a life time to clear wood land?—Yes; that is my idea of it.

By Mr. Orton :—

Q. Do you think that country will suffer for the want of rain?—I have not seen any particular dryness, or heard any complaints.

Mr. Orton :—It was said that the cultivation of that prairie would have the effect of causing less rain than what occurs in its natural state.

Mr. Hagar :—One would think the evaporation would be greater when the soil was stirred up. I think we had that question up last year.

The Chairman :—The heat in the summer causes evaporation.

By Mr. Hagar :—

Q. You don't feel the drought as we do here?—No. I was up there in June one year, and it was pretty wet in some places we traversed. In the low places, there was a great deal of water. I was up again in October and heard no complaint of drought. The grass and everything was green and fresh.

Q. I suppose the heavy dews prevent dryness to some extent?—Yes.

By a Member :—

Q. Are there many of those people in Russia?—Yes; there were about 60,000 before emigration began.

Q. Do you think they would all emigrate if they had the means?—I suppose not all.

Q. Can they realise much for their estates in Russia?—Very little at present.

Q. At present they have no right to sell except to their own people?—Mostly that; there are some few exceptions.

By a Member :—

Q. Have they to get permission to emigrate from Russia?—Yes; they have permission to emigrate from 1872 to 1882.

Q. Was there a law passed prohibiting them from leaving?—Not to my knowledge.

*The Chairman :—*We ought to make strenuous efforts to get the whole 60,000 out before 1882.

*Mr. Jones (Leeds) :—*If they bring \$75 a head, it would be a good thing.

*The Chairman :—*Besides, they are very prolific. They will settle up that country very rapidly.

*Mr. Jones (Leeds) :—*It will not take long to do that; fifteen to twenty years will suffice.

By Mr. Cunningham :—

Q. Are there any banking institutions out there now where they can deposit their money by and by?—They have none now. I do not suppose they are likely to go into that.

By Mr. Hagar :—

Q. Would they be apt to learn our language?—Yes; they learn very quick, I have noticed that when some have been in the country a year, they talk pretty well.

By the Chairman :—

Q. They have the German language, not the Russian?—Some can talk Russian; their language, however, is Low Dutch.

Q. You can converse with any of them?—Yes, sir; They can almost all talk High Dutch.

*The Chairman :—*Speaking the German language, I found myself perfectly at home with them. That is a reason I came to take an interest in their welfare.

By Mr. Hagar :—

Q. Is there any prospect of further immigration this season?—According to letters I have received, I think there would be considerable emigration if they received assistance. They have been asking whether they could get any assistance.

Q. Could none come without assistance at present?—I expect some few will come, but it is just like this amongst them. Half of them might be able to come, but they would not come unless they could bring the other half along with them.

Q. Then you think a great many could be induced to come if they were assisted?—Yes.

By the Chairman :—

Q. I suppose a good crop this year would be a great inducement to them?—Yes; I suppose that would start out a great many. If there was a good crop also in Manitoba, it would be a still greater inducement.

By Mr. Hagar :—

Q. Have you any way of knowing how your people who went South, to Kansas and other parts of the United States are satisfied with their location as compared with those settlers in Manitoba, and what reports they would be likely to send home?—As far as I am aware, and I have correspondence with a few with whom I was acquainted, they are also satisfied there.

Q. As well satisfied as those in Manitoba?—Yes, sir.

*Mr. Jones (Leeds):—*I do not suppose there is any disposition on the part of the Government to grant another loan of \$50,000 or \$100,000 to bring those people out.

*The Chairman :—*No; in fact they are not anxious now to give the balance of the money already granted.

*Mr. Cunningham :—*Why is that?

*The Chairman :—*I do not know; but there is a diffidence on the part of the Government to use the remainder of the loan. This gentleman is desirous of making some improvements on a mill, and he has ample security, but the Government are a little reluctant in letting him have \$5,000 of the loan already voted.

By Mr. Hagar :—

Q. Have the Mennonites preachers with them?—Yes; I think in the Pembina settlement they have what they call a bishop, and there are five or six local preachers besides.

By the Chairman :—

Q. They are not paid anything?—No.

By Mr. Cunningham :—

Q. Do they have Sunday schools for the children?—They have in Ontario; I do not know whether they have them there; I have no doubt they will have them.

*Mr. Hagar :—*It is a great thing to get such an intelligent class of settlers.

*The Chairman :—*Yes; the Mennonites are valuable settlers.

*Mr. Hagar :—*They have good habits, are thrifty and industrious, and they have a careful simple mode of living.

By the Chairman :—

Q. Do they all write?—Yes; all—male and female.

By Mr. Cunningham :—

Q. Do they allow any liquor to be sold?—Yes; they are very strict as regards temperance, but they do use liquor and allow it to be used.

Q. Beer?—Beer and whiskey; a great many are opposed to it, however.

*The Chairman :—*They use it more for medicinal purposes than anything else

By Mr. Hagar :—

Q. I suppose they have stores?—Not yet.

Q. Then they have to go to outside places for their supplies of groceries, &c.?—Yes.

*Mr. Cunningham :—*No doubt they would all sign a prohibitory liquor law if they had the opportunity.

*The Chairman :—*There is great independence among the German settlers in that way; they like to have the liberty even if they don't use it.

*Mr. Cunningham :—*Still, if they were convinced that it was injurious to the rest I think they would agree to prohibit it.

*The Chairman .—*Yes; they would try and eradicate anything which was the means of making a brother to stumble.

— -

MR. HUGH SUTHERLAND'S EVIDENCE.

THE NORTH-WEST—CLIMATE—FACILITIES OF COMMUNICATION—THE SASKATCHEWAN—TIMBER SUPPLY—RAINY RIVER, &c.

THURSDAY, 29th March, 1877.

Mr. HUGH SUTHERLAND appeared before the Committee.

By the Chairman :—

Q. What is your name?—Hugh Sutherland.

Q. Where is your place of residence?—I may say that I reside in the North-West most of the time.

Q. Have you been in the North-West for any length of time?—Yes, most of the time since July, 1874.

Q. You have travelled pretty extensively in Manitoba?—Yes, and the North-West.

Q. How far west have you been?—I have been about 1,000 miles west of Winnipeg.

By Mr. Hagar :—

Q. Along the Saskatchewan?—Yes, sir.

By the Chairman :—

Q. What is your opinion of Manitoba as a farming country?—I think it is an excellent farming country, the best I ever saw. You speak of Manitoba, and not of the North-West.

Q. Yes, merely the Province. Have you mingled much with the settlers?—Yes; a great deal. I buy from them.

Q. What is the general character of the stock you have been purchasing from them?—I have purchased oxen and ponies nearly every spring, and I intend going out again this year.

Q. What is your occupation?—The Public Works Department.

Q. What works have you been engaged in?—In the construction of canals, locks, and various public buildings; in fact everything in the Department, outside of the Canada Pacific Railway.

Q. Were you in Manitoba during the ravages of the grasshoppers?—Yes, sir.

Q. What is the opinion of the settlers now respecting that plague?—The opinion is that they are rid of them. In my travels last year, I did not see any grasshoppers worth speaking of.

Q. And that is the prevailing opinion among old settlers?—It is.

Q. Has there been any long period heretofore that they have been free from them?—Yes.

Q. You have heard that from old residents?—Yes.

By Mr. Bain :—

Q. On what foundation do they build their opinion in regard to their future freedom from grasshoppers?—Well, there were no eggs deposited last year worth speaking of, and the old settlers say that when they once leave, they are rid of them for a season. They don't expect them for a good while, and they may perhaps never come back. They say the more the ground is tilled, the less are the chances for the return of the grasshoppers.

Q. Still there is nothing to prevent their periodical return?—No; no more than there is here. I would not be surprised to see them here next year; they are working east all the time. They were bad in Minnesota and Iowa last year. They seem to come from the mountains and travel East. They have left Manitoba altogether, and they were just as bad in parts of Minnesota and Iowa last year as they were in that province. Where they go to I do not know. You cannot get any definite information out of the half-breed settlers in that respect. They have views of their own, and you can scarcely tell how they form their opinions.

By the Chairman :—

Q. I suppose you have heard them state that they have been rid of the grasshoppers for twenty years?—Yes, some think they come every twenty-one years.

Q. Well, they can afford to spare a crop out of twenty years?—Yes. How far it is true I don't know. For my own part I cannot form any idea where they come from.

Q. What is your opinion of the climate. Have you been there during winter?—Yes.

Q. Are the winters severe?—Not what I call severe.

Q. Do you find any more inconvenience than in Ontario?—No; I prefer Manitoba in the winter season to here.

Q. The weather is more uniform?—Yes.

Q. And is not subject to such changes?—No; and the degree of moisture is very much less there. The air is dry and pure.

Q. Do summer frosts prevail in Manitoba to the injury of crops?—I have not seen any, but I have heard of it sometimes. Last year I saw the crops harvested in the North-West and the Saskatchewan. I was there during July, August and September, and I did not see any frosts to injure anything. One night during that time the frost nipped the potatoes, but I have seen that in Ontario.

Q. Where was that?—On Battle River.

Q. Frosts are more likely to occur near rivers?—I do not know that that is the case.

Q. It is the case here. Do you know the average crops of wheat, oats, barley and peas, in the old settlements or in any settlements you have travelled through?—I cannot say exactly as to the average. I have not paid much attention to that, only what I have seen in newspaper reports.

Q. Do you find that good spring water is easily obtained?—I do now. The first year I had great difficulty, not knowing much about the country, but I don't find any difficulty now. I travelled 2,600 miles overland last summer through this country.

Q. What kind of timber do you observe in Manitoba?—The poplar is the principal timber there.

Q. Is there much of it?—Not so much there as there is in the North-West.

Q. Is there sufficient for settlement?—Yes; there is sufficient for fencing and fuel.

Q. Do you consider the climate healthy?—I do; very.

Q. Do you know any disease peculiar to the country?—I do not.

Q. The people are not subject to fevers or epidemics?—In 1874 there was sickness in the city of Winnipeg, owing no doubt to the want of proper drainage.

By Mr. Cunningham:—

Q. What was it?—Low or bilious fever; I think of the typhoid type.

Q. Have you had means of becoming acquainted with that country bordering on the Saskatchewan?—Yes.

Q. What is the nature of the soil and the climate, and how is it watered and wooded?—I have travelled up the Saskatchewan Valley by the river, from Carlton nearly up to Edmonton.

Q. What is the distance?—About 500 miles; I find the soil is a sandy loam—not exactly the same kind of soil as you find in Manitoba; in color it is.

By Mr. Hagar:—

Q. Is there any sand there?—No; there is more sand in the soil of the Saskatchewan country; this black soil is not so deep.

Q. What underlies this?—Clay in some instances, and in other places sand and gravel.

Q. What about the climate?—I consider the climate better than that of Manitoba; it is more moderate in winter.

Q. How is it watered and wooded?—After you touch the Saskatchewan—taking a line due west from Manitoba to the Saskatchewan—you strike a wooded country, about half and half; that is after you cross the south branch of the Upper Saskatchewan.

✓ Q. Are there many settlers on the Saskatchewan?—They are scattered along from the forks of the two Saskatchewan up to Carlton.

Q. What class of people are they?—There are quite a number of Canadians, and some Half-breed settlers.

Q. Are they engaged in agriculture?—Yes; about Prince Albert's Mission there is a fine piece of country, and there is quite a large settlement.

Q. Do they find a ready market for their surplus produce?—Yes, they find a market for all they can raise.

Q. The climate is preferable to that of Manitoba?—Yes.

Q. And the soil is more fertile?—I think that in a wet season the crops would come up better in the Saskatchewan than in Manitoba.

Q. Are the seasons earlier?—Yes; I suppose you have samples of Mr. Taylor's grain here (the samples referred to were on the table); I saw that harvested on Battle River on the 31st July. It was sown about the middle of May.

Q. Vegetation is very rapid?—Yes, I think much more so than in Manitoba. During that time there was very little or no rain. They had a great deal of rain in Manitoba last season, but on the Saskatchewan there was scarcely any at all.

Q. Were there any hailstorms during the season?—I did not see any. I heard of a hailstorm in Manitoba.

Q. It was stated that the crops were cut by hail at Prince Albert's Mission?—I saw that contradicted. That was after I left, and it must have been late in the season. I left in September; I saw an account in the papers, but I afterwards saw a letter from the Mission contradicting it. That is all I know about it.

By Mr. Cunningham :—

Q. Is there plenty of good land round there?—Yes, and room for plenty of settlers. I consider that the best land is on the north side of the North Branch. I have here a register of meteorological observations taken in December. If necessary I can get them for other months. They were sent to me by a doctor at Battle River, who compiles them every month. This for December is as follows :—

REGISTER of Meteorological Observations taken at Battleford for month of December, 1876.

Date.	Self-Registering Thermometer.		Weather Remarks.	Miscellaneous Phenomena.
	Max.	Min.		
Dec. 1	19	-5	Clear and Windy.....	Ducks seen on Saskatchewan.
do 2	45	-9	Calm and clear.....	
do 3	28	0°	do	
do 4	45	0°	Calm and clear till 6 p.m., when cloudy, with warm south wind	
do 5	39	18	Clear and very windy	
do 6	20	0°	Snow from 9.30 a.m. till 10 p.m.....	Heavy rain from 11 p.m. till 2 a.m.
do 7	39	-15	Very stormy all day.....	
do 8	4	-31	Windy day.....	
do 9	38	-10	Calm till 6 p.m., when wind from south...	
do 10	44	0°	South wind during entire day.....	
do 11	41	25	Fair weather; hazy atmosphere.....	
do 12	52	23	Clear and calm	
do 13	25	-20	Squally till 12 noon, when calm and clear	
do 14	32	-25	Fair weather.....	
do 15	32	-20	Clear and windy	
do 16	7	-20	Fair weather; hazy atmosphere	Three sun dogs visible from 11 a.m. till 1 p.m.
do 17	27	-5	Calm and clear.....	
do 18	7	-5	Squally all day	
do 19	23	0°	Calm day; hazy atmosphere.....	
do 20	15	5	Windy till 3 p.m., when calm.....	
do 21	15	-5	Fair weather; hazy atmosphere.....	
do 22	15	-25	Calm and clear	
do 23	15	-40	do	
do 24	10	-32	Fair weather; hazy atmosphere.....	
do 25	30	-5	do	
do 26	27	5	Cloudy day	
do 27	17	-30	Calm and clear.....	
do 28	2	-35	do	
do 29	6	-21	Squally till 3 p.m., when calm and clear..	
do 30	30	-16	Calm and clear; snowing at 3 p.m.....	
do 31	5	-15	Windy.	

N.B.—The sign — means below zero.

I received a letter from Col. Robertson, who is in the Swan River district, in which he says that the weather since the 24th January has hardly touched zero. I wintered there myself about a year ago. I have also a letter from one of the Mounted Police at Cypress Hills, who says that they left their horses out until the 10th January before stabling them.

By Mr. Hagar :—

Q. That is a buffalo country, is it not?—Yes; I saw thousands of buffalo this last summer.

Q. Are there large numbers left yet?—Yes.

Q. What is your idea about their being exterminated?—I think the hunters are doing a great deal in that direction; they should not be allowed to slaughter them for their skins.

By the Chairman :—

Q. What is the general appearance of the country west of Manitoba?—It is a fine looking country; it is undulating; there are some sandy spots; for instance, there is

a strip of land running from Fort Ellis to the Swan River—to the southern boundary—that is not fertile; it is about 50 miles.

Q. That is the outskirts of the Great American Desert I suppose?—Yes; it seems to be just a point that runs up to the north from this desert; when you get to Touchwood Hills the land becomes better; I consider the land light about Fort Ellis, and after you reach the Touchwood Hills the land gets better all the way until you cross the North Saskatchewan. The soil on the north side is a little better as it is a little the heaviest.

Q. In travelling hundreds of miles on the prairie country do you find grasses in abundance for your stock, and can game and fish be easily caught by the way?—I don't find abundance of grass in the buffalo country, because they go in such tremendous herds that they eat everything before them and drink up nearly all the water; but I have never had any difficulty; I have taken out large trains—men, horses, cattle and supplies—and I never experienced any difficulty.

Q. Are you aware of any emigration from the Province of Manitoba to the Saskatchewan, and if so, what class of settlers are leaving for the west?—I am not acquainted with many of the settlers; my work was west of the settlements last year, so that I cannot speak from personal knowledge.

Q. It is said that a number of Half-breeds on the Red-River and the Assiniboine are leaving for the west?—On my return trip last fall I met quite a number of people going out with supplies and farming implements from Red River; they were going to the Saskatchewan to settle; there was a man by the name of Tait engaged in taking up farming implements; he made several trips last summer and disposed of them to the settlers in the Saskatchewan.

Q. Would you consider it advisable to locate settlers to any great extent in the valley of the Saskatchewan at present?—I certainly would; there are advantages there which are not to be found in Manitoba; for instance, wood does not cost much; it is more plentiful; building material is not so dear, and you can get just as good, if not better prices for your produce.

By Mr. Hagar:

Q. The climate is milder?—I consider it so on the whole.

By the Chairman:—

Q. What are the water communications from Manitoba and Edmonton?—The Saskatchewan River.

Q. Can you describe the breadth of the river at various points and the nature of the navigation?—It is navigable from Cedar Lake, which, properly speaking, is the mouth of the Saskatchewan River. There are three very extensive rapids between Cedar Lake and Winnipeg, none of which could ever be made navigable.

Q. Are not boats plying there now?—They have to be warped up the two upper rapids. A canal there would be of no service, because the river boats could not run on the lake; they would capsize before they proceeded ten miles. Neither could the lake boats run on the river.

Q. On account of the draught of water?—Yes. This is a large lake, and I have been told by good judges that it is certainly one and a half times the size of Lake Ontario. From Red River to the Grand Rapids is supposed to be about 400 miles; some say 300 miles. But, of course, it has never been measured exactly.

By Mr. Jones (Leeds) :—

Q. Clear navigation through?—Oh, yes; lots of water. The country north of this lake of course is nothing like the country south.

Q. Pine country?—It is more of a timber country and rock. The south of this lake is a good farming country, except along the edge where the Icelanders have gone.

Q. Is not that good land?—I do not think so. The great route to the Saskatchewan will be by Lake Manitoba. It is 150 miles from the City of Winnipeg and the route by Lake Manitoba is 150 miles nearer the Saskatchewan than the Lake Winnipeg route.

Q. What would be the distances of the two as near as you can judge?—There are 1,500 miles of navigation up the Saskatchewan. It is navigable up to the mountains.

Q. For what class of boats?—For such boats as they have on the Missouri River.

Q. That would be in the spring?—In all seasons; that is, of course, during the season of navigation.

Q. Would the lake boats do for the river as well?—No; a different class of boats would be required on Lake Winnipeg than Lake Manitoba.

Q. Are there any boats navigating the Saskatchewan now?—Yes; they have been out as far as Edmonton.

Q. What draught of water and tonnage?—The tonnage will be about 140 or 150; perhaps 125, but no less than that. I think the boat draws about three feet or three feet and a half.

Q. Can that boat run the whole of the open season. In September and August can she make that trip from Lake Manitoba?—She can. There are two or three falls or rapids on the river here which are obstructed by boulders. There is plenty of water, but there are a few boulders in the way which make the channel bad in low water.

Q. Are they extensive rapids like ours on the St. Lawrence?—I have a memorandum showing where every boulder is from Cedar Lake to the Rocky Mountains, which I obtained from two different captains who had been over the route. I find the two statements to correspond very nearly. I have examined the boulders myself from Carlton up. From the rapids to Carlton is where the principal obstructions take place.

Q. At high water in the spring can you run over them?—Yes. In low water the boulders obstruct the channel in such a manner that you cannot get steering way going down the stream to turn.

By Mr. Hagar :—

Q. That is in three or four places?—Yes; several places.

By Mr. Jones (Leeds) :—

Q. To make it continuously navigable, locks would probably be required?—No; locks are not required at all; they are all on sand bottoms, and none are very large. A few might have to be blasted, but they could all be removed at small expense.

Q. That is a pretty good stretch of navigation?—Yes, it is. Captain Arno, one of the captains from whom I obtained the statement in regard to the boulders, was fourteen years on the Missouri and Mississippi, and he says that the Saskatchewan River, if those boulders were removed, is far ahead of the Missouri for purposes of navigation.

Q. Does the location of the Pacific Railroad come any way near?—It strikes within a mile of the Saskatchewan at Battleford, but it does not cross the river until it reaches Old White Earth Fort, sixty miles above Edmonton. I located saw-mills at that place last summer, to manufacture lumber for buildings at Battleford.

By Mr. Hagar :—

Q. What timber is there?—Pine and spruce.

Q. Of good size?—Yes, good quality. I am informed that there is a large quantity of timber in the mountains above.

Q. What is the width of the Saskatchewan?—I have not seen any place less than a quarter of a mile; in some places it is half a mile wide.

Q. How is the current?—It is pretty swift all the way.

Q. The water is not very deep?—It is deep in the channel. It is obstructed by sand bars from Carlton to Fort Pitt, which are shifting in their nature, and it requires an experienced hand to keep the channel. The channel, however, is generally quite deep, although pretty narrow. I do not think that dredging would be of any service at all for those sand bars. Some contrivance would have to be fixed upon the boats for getting over the bars. On the Mississippi and Missouri they use spars at the bow, put up like shears. They raise the bow up and draw it over with the boat; when they get over they haul up the spars, which they hang on the side, and go on. In other countries, I believe, they have another contrivance. A shaft on each side of the bow, with spur wheels on, which, on being set in motion, works the sand loose and allows the boat to go through. It fills up again immediately afterwards.

Q. What is the width of the valley of the Saskatchewan on both sides?—The great valley that I heard so much about before I went out there I could not see.

By Mr. Jones (Leeds) :—

Q. It is not like what we call a valley in this country?—No; it is an immense plain on either side, and this water goes through it; and streams for miles and miles back running towards the Saskatchewan.

Q. Does the Saskatchewan flood its banks?—Not that I know of. The rise of water takes place there in August: when the sun is very hot the snow melts on the mountains. I have seen the water rise four feet in a night, and there has not been a drop of rain for a month previous.

By Mr. Bain :—

Q. Do those streams you have mentioned increase the volume of the River much?—I do not think they increase it very much.

Q. Is there not more than sufficient to keep up the evaporation?—No.

By the Chairman :—

Q. Are there many streams of that description?—Quite a number. Battle River, a large river, runs into the Saskatchewan.

Q. Are any of those streams navigable?—Battle River is in high water.

By Mr. Jones (Leeds):—

Q. What do you call the place where you put up the saw mill?—It has no name. There used to be an old fort there called Old White Earth Fort. To return to the question of navigation by Lake Manitoba. There are two portages which would require to be cut—one called Money Portage, between Cedar Lake and Winnipegosis, and the other Muddy Portage. It is low land there. The level of Cedar Lake and Winnipegosis is the same, so that a ditch could be made between the two. By excavating a ditch with a few feet of water no locks would be required. Muddy Portage, I believe, is only a narrow space of about a quarter of a mile and could be easily overcome.

By Mr. Hagar:—

Q. Are there any boats on the Lake?—No; not now. It is navigable across the Narrows to Lake Manitoba. A line of boats connecting with the Canada Pacific Railway at the Narrows or at the foot of Lake Manitoba would make a complete route.

By the Chairman:—

Q. What distance would a canal have to be cut to the Assiniboine to have navigation all round?—About 20 miles.

By Mr. Jones (Leeds):—

Q. What is the distance from Lake Manitoba to Winnipeg?—The distance is 50 miles. The obstructions by this route would not cost so much to clear as clearing out the Rapids from Cedar Lake to Grand Rapids because there they require two locks and of course locks of any description are expensive. Beside, 150 miles in distance would be saved.

Q. According to your statement it would not cost very much to make the ditch you have mentioned and it would merely require a stop-gate for the other?—The expense would not be great, and it would make 1,500 miles of continuous navigation without transshipment.

By Mr. Bain:—

Q. Including the removing of the boulders?—Yes.

By Mr. Jones:—

Q. Have you been instructed at all to make a calculation?—No; I have an idea what the removal of the obstructions in the Saskatchewan and Cedar Lake would cost from general observation.

By the Chairman:—

Q. Have you noticed any wanton destruction of buffalos in your travels?—I have seen a great many carcasses with their hides taken off, rotting in the sun.

Q. They were slaughtered for the robes?—Yes; I think the hunters should be compelled to use up the meat.

By Mr. Bain:—

Q. How could you do that?—The only way would be to pass a law prohibiting the wanton destruction.

By the Chairman :—

Q. Would not the Indians object to such a law?—I find that the half-breeds do the most damage.

Q. The Half-breeds go out expressly for the purpose of getting buffalo skins?—Yes, the half-breeds and white men. The Indians invariably sit right down and cut up the meat and make pemmican on the spot.

*Mr. Bain :—*Restrictions should be imposed upon the Half-breeds.

*The Chairman :—*The half-breeds and hunters go out expressly for the purpose of getting the robes.

*Mr. Bain :—*The trouble would be to regulate them.

*Witness :—*They could be regulated to a certain extent by the Mounted Police. News travels very fast in that country, and if the Indians knew there was a law to prevent the destruction of buffaloes they would inform against the Half-breeds.

By the Chairman :—

Q. Does stock roam at large on the Saskatchewan during the winter?—Yes, I have ponies out now.

Q. Do they thrive well and come in good condition in the spring?—Yes; I have seen ponies in as good condition there in the spring as you would see around the farms here.

By Mr. Bain :—

Q. What is their average condition as a rule—rather thin?—No; in good healthy condition; but of course they have different hair to the horses here.

Q. And that is a natural protection against the climate?—Yes; I am of opinion that if they stabled their horses and cattle there it would make a decided improvement in the stock in a few years.

*Mr. Bain :—*Yes; I am satisfied it would pay if they went into that business.

By Mr. Hagar :—

Q. How far east do the buffalo come?—I met them last year between the Touchwood Hills and the South Branch.

Q. They formerly roamed over all those territories?—Yes; you can see their skeletons at present in Manitoba.

By the Chairman :—

Q. How far from Winnipeg is the nearest coal field?—The best I have seen is at Victoria, between Fort Pitt and Carleton.

By Mr. Bain :—

Q. About how far is that?—About 100 miles east of Edmonton. About half way between Fort Pitt and Edmonton.

Q. What is the distance from Winnipeg?—By trail, about 900 miles.

By the Chairman :—

Q. How far from Winnipeg is the nearest coal field in the United States?—I cannot say.

By Mr. Bain :—

Q. I think you said that that at Victoria is the best. Is there any other much nearer?—Yes; there are indications of coal down as far as Battleford and Battle River.

By the Chairman :—

Q. Coal may be developed much more conveniently there than at Victoria?—Yes; it is the opinion of professional men that coal may be got at Carleton.

Q. Has iron ore or any other ore been found convenient to Winnipeg?—Such as lead, copper, zinc, &c.?—I do not know of my own personal knowledge; I have heard of iron, but I don't know anything about it. Speaking of coal, I may say that the further you go up the river, the more coal is exposed to view. It is exposed on the banks about 60 miles from Victoria.

Q. Is the vein thick?—Yes.

By Mr. Bain :—

Q. Do you know how much lower it extends?—No; there has never been a test made.

By the Chairman :—

Q. Have you seen any deposits of rock salt?—Yes; in several places. I have used a great deal of native salt made by the Hudson Bay Company.

Q. Out of the salt wells?—Yes; and salt water there. It is very strong salt. Coal can be taken down the Saskatchewan to Manitoba very much cheaper than by rail. Speaking of minerals, I may state that I saw gold washed in the Saskatchewan last year. Several of my men had some. One had as much as forty dollars when he got to Toronto; it was washed near where the saw mill is.

By Mr. Hagar :—

Q. What shape was it in?—Gold-dust, there were two miners washing there during low water, and they calculated to make from five dollars to fifteen dollars a day, but provisions were so high that they could only remain a short time. Flour was twenty-five dollars a bag.

Q. What kind of game is there?—Ducks and prairie chicken are plentiful—wild geese also are very plentiful on the Saskatchewan.

By Mr. Bain :—

Q. I suppose the wild turkey does not find its way there?—No; I never saw them, but you can get sand-hill cranes which are as good; they are about the size of turkeys. Caribou are also plentiful up near the mountains.

By Mr. Hagar :—

Q. Are there any antelopes or deer?—There is what they call the jumping-deer—the small red deer,—I have seen plenty of them. Wolves are also very thick.

Q. They are not very dangerous?—No.

Q. Do the Indians of the north-east cultivate the soil to any extent?—No.

Q. Is there any probability of their doing so?—I do not think so; they will not work.

Q. Is it possible in your opinion to preserve the buffalo from destruction?—I think it is to a certain extent.

By the Chairman :—

Q. What means would you propose?—Of course the only means would be to give the Mounted Police the power to arrest hunters for that offence, the same as for any other. We find that the hunters merely destroy the buffalo for their skins.

By Mr. Hagar :—

Q. In what season of the year do you recommend that they should be protected?—I do not know exactly; between November and May, I suppose. A great many buffalo are killed during the winter.

By Mr. Bain :—

Q. I suppose that the robes are in the best condition during the winter?—Yes; in the early part of the winter. The buffalo should be protected in the winter and the spring.

By the Chairman :—

Q. Do you think the Indians could be induced to raise horses and cattle?—Yes; better than they can be induced to go into farming. They take a great pride in raising horses, especially.

By Mr. Hagar :—

Q. Do they raise anything more than their own?—I believe that in a few years—keep whiskey away from them—they will have a surplus of horses. Heretofore they have been so demoralized by the American traders that they have never been well enough off to keep horses.

Q. Do they prefer our Canadian horses to ponies?—Out in the Saskatchewan district they don't know anything about Canadian horses; I took some out with me, and most of the Indians said they had never seen such horses before.

Q. Do you think those native ponies could be improved by crossing them with better breeds?—Yes, I do.

By the Chairman :—

Q. Would the Indians of the plain be able to subsist on fish and smaller game such as the antelope, should the supply of buffalo be cut off for a season—that is, if a law were enacted prohibiting them from killing the buffalo for a time?—I do not know; they have been used to buffalo for so many years that I am inclined to think that they would not like that. But there is abundance of fish in the Saskatchewan and streams running into the Saskatchewan.

Q. Of what description?—There are jack-fish, a very large fish, something like the pike here, and the gold-eye, which looks very much like the white-fish and is very good; these have a gold eye on one side.

Q. About what will be their weight?—The gold-eye are about the size of the ordinary run of white-fish, about three or four pounds probably.

By Mr. Hagar :—

Q. The others are larger I suppose?—Yes; the jack-fish are large fish, from two to thirty pounds.

Q. Is there any trout?—There is brook trout in the mountain streams, but I have not seen any below.

By the Chairman :—

Q. You have had considerable intercourse with the Indians?—Yes.

Q. Do you find them honest?—I do; I never had any trouble with them; they have never stolen anything from me.

Q. And peaceable?—Yes; I can trust them as they are, in their native state, better than I can most white men.

Q. There is no trouble if you treat them kindly?—No; I have had occasion to leave supplies stacked on the prairie in different places, and I have never missed anything.

By Mr. Bain :—

Q. Were the Indians around?—Yes; but I may say this, as soon as they get near civilization they are just the contrary. I have changed my mind considerably about civilizing Indians since I have been out among them.

By the Chairman :—

Q. Do you know anything further about the North-West?—I have a good knowledge of Keewatin.

Q. What description can you give of it?—It is all the country east and north of Manitoba, until it reaches the boundary of Ontario.

Q. Is it a farming country; is there much good land?—There is some very good land on the Rainy River.

Q. To any extent?—Well, all along the river, which is about eighty miles long, from Rainy Lake to Lake of the Woods. It is well timbered.

Q. What description of timber?—Poplar, some oak and elm.

By Mr. Hagar :—

Q. Is there not some pine?—It is all a pine country in the southern portion.

Q. What ways are there of getting it out?—There is no way except through Rainy Lake and down the Lake of the Woods and out through Rat Portage by the Pacific Railway to Manitoba. The steamers run north on the American side and south on the Canadian side; there is a large tract of timber country on the American as well as our side, which would pass down Rainy River, Lake of the Woods, to Rat Portage and be manufactured there, and from Rat Portage it would go to Manitoba by the Pacific Railway.

By the Chairman :—

Q. How does Rainy River compare with the Saskatchewan for volume of water?—It is a much better river and heavier stream.

Q. There are some rapids on Rainy River?—Yes; Manitou and Long Sault Rapids.

Q. And there are obstructions to Fort Francis?—Yes; that is a perpendicular fall of nearly 25 feet.

Q. Could it be utilized for machinery?—Yes; it is a fine water-power.

Q. The only water power in that section?—Yes; it is the only one that I know of in that section.

By Mr. Bain :—

Q. I suppose that the only land in Keewatin valuable for agricultural purposes is that strip bordering on Rainy River?—Yes.

By the Chairman :—

Q. Can you give us any description of the northern portion of Keewatin?—I have never travelled there.

Q. What description of pine is there in Southern Keewatin?—Norway pine, spruce and some white pine.

Q. Is it large?—Pretty large, some of it. We have seen a large quantity of timber taken out there a foot square, and some forty feet long; it must be good timber for that. There is also some oak.

By Mr. Hagar :—

Q. Does that grow to any size?—We were able to get sticks nineteen inches square and forty-five feet long, but we had to hunt a great deal for them.

By the Chairman :—

Q. What distance of uninterrupted navigation would there be from Winnipeg, provided these boulders were taken out of this Rainy River, Long Sault and Manitou Rapids, and the locks at Fort Francis constructed?

*Witness :—*Between Rat Portage and the head of navigation?

*The Chairman :—*Yes.

*Witness :—*It is 275 miles from the head of Rainy Lake to Rat Portage.

Q. And what obstructions are there at the head of Rainy Lake until you come to Lac des Mille Lacs—the eastern stretch of Lakes?—I don't consider the obstructions on Rainy River now to be very great; no locks would be required there; a few boulders removed and the channel would be better; at the present time it is navigated at all seasons of the year when there can be navigation; but the boats at present in use are not suitable.

Q. What is the usual width of Rainy River?—I think it averages 20 chains.

Q. Eighty-three rods—and the depth?—The depth, except at the rapids, is from eight to fourteen feet. Rainy River is one of the finest rivers I ever saw.

By Mr. Hagar :—

Q. In what respect?—It is a straight, nice, large volume of water, and well timbered.

Q. The banks are different from those on the Saskatchewan, are they not?—Yes.

*The Chairman.---*There are regular forests on the side?—The scenery is beautiful. Nearly every settler within the last two years that went into that country went from Manitoba by the Dawson route. I have known a great many to come back from Manitoba and settle upon Rainy River, because there was plenty of timber; and it is a very valuable country. So many applications come for lots in this district, from the union office at Winnipeg that the land agent there has opened a branch office at Fort Francis. Heretofore it was believed that the land on the north side of the Rainy River was worthless, until it was surveyed last year.

By Mr. Hagar :—

Q. There is very little prairie land there?—Very little.

*The Chairman :—*There are some very small settlements near Hungry Hill.

By Mr. Hagar :—

Q. What is the soil like?—It is something similar to that in Manitoba. Coal has also been discovered at Rainy River last year. I was told by a man informed on the subject.

Q. What portion of it?—I don't know exactly what portion of it, but I saw samples.

Q. How did it compare with that from the Saskatchewan?—What the man had did not look as well as what I saw on the Saskatchewan. On the Saskatchewan we used coal for blacksmithing purposes all the time.

Q. Does it crop out?—Yes, it crops out all the time. We did not dig for it.

Q. And any quantity?—Yes; I believe the supply is inexhaustible, and the farther you go the better it is.

WEDNESDAY, 4th April, 1877.

MR. BANNATYNE, M.P.

HIS IMPRESSIONS OF MANITOBA AS A FIELD FOR IMMIGRATION.

Mr. BANNATYNE, M.P., appeared before the Committee.

By the Chairman :—

Q. What is your name?—Andrew Bannatyne.

Q. How long have you resided in the Province of Manitoba?—I have lived there since 1848.

Q. What are the facilities for reaching Manitoba from Ontario, and what is the expense required to do so?—You can go there *via* Duluth by steamboat, or *via* St. Paul's by rail.

Q. You can go by Duluth?—There is a steamboat line running from Collingwood, Sarnia, Goderich and Southampton, to Duluth; thence by the Northern Pacific to Moorehead, and down by steamer on the Red River to Winnipeg. I may say that there is at present a gentleman here who is connected with a steamboat line, and he is making arrangements to take out immigrants to the Province at very low rates.

Q. Do you know what the rate is?—He has not decided exactly what it will be, but it will be a much lower rate than has existed before; he also intends, I believe, to try and make arrangements to give excursion tickets to go and come to any part for \$50.

Q. From what place?—From any part of Ontario to the Province of Manitoba.

Q. Were any immigrants taken from Duluth to Winnipeg last season for \$10?—I have heard that they were, but I could not be positive.

The Chairman :—Probably Mr. Lowe can inform the Committee what was the rate for the transport of immigrants from Duluth last year.

Mr. Lowe :—The rate that was charged for Government immigrants from Duluth was ten dollars a head ; but this was confined to immigrants coming from across the seas, and to those who came in from the New England States.

Q. Do you think that the same arrangements will be carried on this year, Mr. Lowe?—I think so.

By Mr. McNabb :—

Q. Will you repeat that again, Mr. Lowe?—I may state that the gentleman to whom Mr. Bannatyne refers was in the Department yesterday, and I had a conversation with him. He stated that his line of steamers and the Northern Pacific Railway Line were very anxious to make the most favourable possible arrangements for carrying immigrants this year; that they would again take them from Duluth on the same terms as last year; that is \$10 per adult, and 200lbs. of luggage allowed. Further, that they would consider all those immigrants who went with the intention of settling in the Province of Manitoba. This would have the effect of extending this privilege to emigrants from the old Provinces; and this would be an advantage which they have not had in previous years.

By Mr. Bannatyne :—

Q. Did he say anything to you about excursion tickets?—He did.

Q. What was the amount mentioned?—The price for going and coming was fifty dollars.

Mr. Hagar :—That is for going and coming from any part?

Mr. Lowe :—I cannot say that; but I understood the tickets were to be good for several weeks, and that it would not be necessary for holders of them to go in companies. They can go out there in any of the ordinary trains.

By the Chairman to Witness :—

Q. What were the crops in the Province of Manitoba last year; were they encouraging?—They were very good; that is to say, the new settlers all looked upon them as splendid crops; but the old settlers grumbled, as usual, and thought that they were not very good.

Q. What was the average yield?—I could not give that.

Q. You have heard what it was, I suppose; was it thirty bushels to the acre?—It would be all of that.

Q. It would be fully thirty bushels to the acre?—Yes.

Q. And the old settlers are not suited unless they get forty bushels to the acre?—It looks like it. I may say that the settlers who came into the Province recently were all well satisfied with the crop.

Q. Is wheat cultivated there pretty extensively?—Yes.

Q. For how long an interval has the Province of Manitoba been free from the grasshopper plague at a time?—I should think it has been free from them for periods as long as fifteen years at a time. I believe that if the settlers have another

good year, they will be able to get along even if they were to come, and protect themselves; that is to say, I think that the settlers, under such circumstances, would be able to get on and have what is still considered a good crop even if the grasshoppers were to come.

By Mr. Borron:—

Q. Is fall wheat successful in Manitoba?—No; it is grown, but it has never been tried to any great extent.

By the Chairman:—

Q. Would flax grow on the alluvial deposits of the Province, and could it be made profitable and be manufactured into ropes, twine and coarse fabrics?—Flax grows very well there; it seems to be a splendid country for flax.

Q. You think that flax could be cultivated and made profitable?—Yes; it could be made very profitable.

Q. Have any farmers out there tried the experiment of beet rising and of making beet-root sugar?—Not to my knowledge, but all agree that it could be made there, It is, however, a mere rumor as yet; it has never been tried; but the sugar-beet itself grows very well there.

Q. What is the average price of provisions, fuel and house rent in the towns?—House rent is rather high as yet, but it is getting cheaper every year.

Q. And what is the price of provisions?

*Witness:—*Provisions?—Do you mean pork?

*The Chairman:—*I allude to what usually finds its way into the poor man's house, such as bread stuffs, beef and pork.

*Witness:—*You can purchase flour from \$2 to \$2.50 a hundred; the price of pork ranges from \$22 to \$26 per barrel, according to the season.

By Mr. Hagar:—

Q. Is that the price of mess pork?—That is the price of the best mess pork. It is not worth while to send any other quality, in view of the difference in freight, and this is the heaviest item.

Q. Is much pork raised by the settlers?—Last year there was a good deal raised.

Q. But not near enough to supply the demand in the Province?—No. It will be sometime before sufficient is raised for this purpose.

By the Chairman:—

Q. What is the price of beef?—Seven and a half cents a pound.

By Mr Hagar:—

Q. Can you tell me how peas do in the Province?—They grow remarkably well, and even when the grasshoppers come there is always a crop of peas. They do not seem to destroy peas.

Q. They do not grow too rank and mildew?—It seems not. They always seem to be a good crop.

Q. If they can raise peas, the settlers will soon raise their own pork?—They will do so, undoubtedly. There was imported into the Province last year, a large

number of pigs of a rather good breed. One man brought over two hundred of them, I think, at a time. They were brought down in flat boats, so that this will give the farmers a good chance in this relation.

By the Chairman:—

Q. What is the opinion of the people with reference to grasshoppers?—They do not think of them now. They have forgotten about them.

Q. Do they think that the grasshoppers have left the country entirely?—Yes.

Q. But the old settlers, I suppose, have some idea about their return. Have they come to the calculation that they will probably not appear again for a long time?—I do not think that they give a thought to the matter at all. They do not look for them again.

By a Member:—

Q. What reasons have they for thinking that they will not return?—They have no reason for it; but they have been sometimes absent for fifteen years.

Q. They never were troubled with grasshoppers until 1868, were they?—They never were troubled with them to any extent worth speaking of, or to such an extent as to frighten or alarm them. Previously there was only one settlement scattered along the belt of river, and the farms were really first-class and there were good kitchen gardens; and these vast prairies were covered with grasshoppers. You could do what you liked, but they would destroy you. But now the settlers are scattered over the land in every direction. They can now turn out and protect themselves; and no doubt in the worst of seasons in future, they will have at least half a crop.

Q. Are peas cultivated very extensively in the Province?—Yes.

Q. And I understand that grasshoppers do not touch peas?—They do not.

Q. The pea crop is then certain?—Yes; settlers are always certain of it.

*A Member:—*That is a valuable crop.

Q. When you had grasshoppers in the Province so extensively, they left the peas secure?—Yes; the peas were always safe. I do not think that I ever heard of a case of a pea crop being destroyed by them.

By Mr. Hagar:—

Q. You have known of the pests that visit the wheat crop, and have you never the fly or rust in Manitoba?—I never saw anything of the sort save during one year, and that was over thirty years ago. I once saw a species of caterpillar which went all over the wheat. They seemed to take the whole leaf off and leave the head; you could see the heads all over the fields. But that is many years ago.

Q. Do you have the potato bug?—No.

By Mr. McNab:—

Q. You will find them yet coming into the Province?—Yes; I suppose that we will yet have all of these things.

By Mr. Hagar:

Q. They follow in the track of civilization?—I have never heard much complaint of them.

By the Chairman :—

Q. Can agricultural labourers and female domestic servants find employment during the next season in the Province of Manitoba; and if they can, at what rate of wages can they do so?—I should say that farm labourers would be sure of from \$20 to \$25 a month at the very least.

Q. Rates would vary from \$20 to \$25 a month?—Generally the rate is \$30 per month.

Q. And could any large number of either male or female servants find ready employment in that Province?—We will employ all the female servants that you will send up; there is a great demand for them at good remunerative prices.

By Mr. Hagar :—

Q. And can they get husbands there?—No doubt they will be able to secure husbands too. The wages for female servants are from \$8 to \$10 a month, and even more.

By the Chairman :—

Q. What season of the year is most suitable and desirable for immigrants to arrive in your Province?—Immigrants who intend to farm, I should say, ought to come into the Province by the first week in May if possible.

Q. Why?—In order that they may get something out of the soil during their first season; I do not care where they settle, they can get a good crop of potatoes, and in many cases some rain also from the first ploughing, from the first turning over of the sod.

Q. Is all material expensive; and how are farm buildings usually constructed?—Where you have wood on your land you can put up a log house, but lumber is still rather high in price.

Q. Is it cheaper than it has been heretofore?—Yes, it is very much cheaper.

By Mr. McNab :—

Q. Do you think it unwise for immigrants to go into the Province in the fall? My object in asking this question is this. It might be difficult for them to go in there in the spring, and would it be unwise for them to go there in the fall of the year to be ready for operations in the spring?—I think not; I think that it would be a very good plan.

Q. What is the cost of living up there?—Provisions will be very cheap for some years until better communications are obtained. There are always large supplies for the home market.

By the Chairman :—

Q. While speaking on this subject, I would ask whether you knew what the charge is conveying wheat from Winnipeg to Duluth?—It was taken down last fall for 24 cents a bushel.

Q. The rate was 24 cents from Winnipeg to Duluth?—Yes, as far as Duluth.

Q. And what was the rate from Duluth to Toronto?—I have understood that this was about seven cents a bushel.

Q. I understood that it was five cents; have you heard Mr. Lowe say that it was five cents a bushel?—Mr. Hill told me yesterday that the rate to be fixed this year

in order to encourage the conveyance of wheat between Winnipeg and Toronto, would be 34 cents a bushel. He says that it will be carried in Canada at that rate.

Q. This season?—Yes; the rate will be 34 cents between the points named, and five cents less to Sarnia. The rate will be five cents from Sarnia to Toronto, and five cents from Sarnia to Duluth, and the charge for the rest of the distance will make up 34 cents.

Q. The rate is 29 cents to Sarnia?—Yes.

By a Member :—

Q. From Winnipeg?—Yes.

By the Chairman :—

Q. What is the price of wheat in Sarnia?—I do not know.

Q. Wheat is worth \$1 a bushel in Winnipeg, I believe?—If I wanted to buy wheat, and if I had the money, I could get all I wanted for 80 cents a bushel there.

Mr. McNab :—Wheat ought to be worth as much in Winnipeg as in Sarnia, less the rate for transportation.

A Member :—Especially such wheat as is here shown.

Witness :—I believe that our wheat is superior to this sample, speaking generally. As to flour, I have to-day seen in the papers information of flour having been sent down to certain parts of Canada.

The Chairman :—If the average yield is thirty bushels to the acre in the Province of Manitoba, while it is only from ten to twelve bushels per acre here, that country is certainly desirable for settlers, as they can raise wheat there at less expense than is possible here. If the freight is only twenty-nine cents per bushel, you can easily calculate the difference, and see what wheat is worth at Winnipeg.

Mr. McNab :—You would have to add a little for the trouble of drawing and getting the wheat shipped.

The Chairman :—That would be very little, I should think.

Mr. McNab :—It would, nevertheless, have to be taken into account.

By the Chairman :—

Q. As you have been for such a length of time in the Province, would you tell us whether the atmosphere is dry, uniform and invigorating, or damp, changeable and disagreeable?—It is dry.

Q. And uniform in winter?—Yes; and it is healthy.

Q. It is conducive to longevity—to living long, and to old age?—Yes.

Q. More than is ordinarily the case in other parts of the country?—I would not say so.

Q. You often have people over one hundred years of age?—There are cases of it; but I could not say that there are many of them.

Q. Are the services of medical men required very often in the Province?—I would not like to recommend any physicians to go out there. We have plenty of them at the present time.

Q. Do you know of any peat land in the Province?—Yes; I believe that there is such land in it.

Q. And this can at any time be made available as fuel?—Yes.

Q. Has the experiment been tried?—Well, it has not been tried as yet.

Q. There is sufficient timber as yet, and it has not been required, I suppose?—But all parties are satisfied that there are large beds of peat there.

By Mr. Cockburn:—

Q. What is the price of cordwood—maple and beech?—In summer householders can purchase cordwood for three dollars a cord.

Q. And in winter, how much is it?—In winter the price just depends on circumstances. It is as high as \$4 and \$5 a cord.

Q. What kind of wood is sold at that rate?—You can buy, at that rate, poplar, maple, ash, oak and spruce, but there is no hard maple.

*Mr. Chairman:—*People are compelled to pay the advanced price owing to the want of prudence in failing to lay in supplies during the summer season.

By Mr. Cockburn:—

Q. The price is not so very high in that case?—That is the price at which a man, if he chooses, can lay in wood.

Q. That is not the retail price?—That is the retail price in summer.

By the Chairman:—

Q. Can stock-raising be profitably carried on in the Province?—Yes; and very profitably. A young man, a Mr. Desbarats, went up there last year, and he took out servants with him; I think he is connected with dairy farming—the making of cheese in Canada; he came back, and he has returned to that part of the country. I also know of others who have a large number of cows, and who intend making dairy-farming their business.

By Mr. Hagar:—

Q. Do you think that the native grasses are suitable for dairy-farming?—Yes; the native grasses are very good for the purpose; there is a great deal of what is called pea grass and vetches.

By the Chairman:—

Q. It is wild?—Yes.

By Mr. Hagar:—

Q. What is the quality of the butter and the cheese?—Our butter is said to be really superior to that obtained in most places. I have even known gentlemen from Minnesota who have gone up there for a visit, went back and got our butter in preference to their own; a great deal depends on the feed the cattle get, as to the quality and the flavour of it.

By Mr. Borron:—

Q. Does this grass produce good butter?—Yes.

By the Chairman :—

Q. After the prairies are taken up can you cultivate the tame grasses successfully?—Yes.

Q. Such as clover and timothy?—Yes; both clover and timothy.

Q. Do you know of any such cases?—Yes

Q. And they grow well?—Yes.

Q. They take good root?—The settlers find the natural grasses so good, that they really do not take the trouble to raise them; but as the country is settled up, and the land is occupied, they will raise them. I believe that they are even now going into it.

Q. I see there is a very fine sample of seed shown here?—There the Hungarian grass agrees remarkable well with the country; and unless it is very strongly fenced in, indeed you cannot keep the cattle out of the fields when they once taste it.

Q. It grows very high?—Yes.

By Mr. Hagar :—

Q. Can you speak from your personal knowledge as to clover doing well in the Province?—Yes; clover has done very well.

Q. It does not freeze out?—No.

By the Chairman :—

Q. You speak from your own observation on this point?—Yes.

Q. As to clover?—Yes.

Q. It grows well there?—Yes.

Q. And timothy also?—Yes.

By Mr. Hagar :—

Q. I was under a different impression. I thought it was killed out during the winter?—The experiment of raising clover was tried at one time. The Hudson's Bay Company went into it pretty extensively, and the clover seed remained for years and years, and it spread all over the place. It grew within many miles of the place where it used to be carried about.

Q. Has it died out?—It seems to have died out since that time.

By Mr. Borron :—

Q. Have you manufactured good bricks up there?—We make very good bricks indeed. The clay is very good for the purpose.

By the Chairman :—

Q. Have you ever heard it denied that clover and timothy would succeed there?—I have, in this way: Formerly we used to get out clover seed by York Factory. It was the only means we had of procuring it. The clover seed had to be a year old when it was shipped, and it frequently was at York Factory for a considerable period; it was then brought out into the country. I believe that this clover seed was probably too old for sowing purposes; I consider that this was the only reason of

failure. It has never been much tried, as I have just said, on account of the natural grasses being so rich that the people preferred them to taking the trouble to get artificial grass. I have known parties who have grown a field of timothy—and it grows very high there—for the use of the horses. It does very well indeed.

By the Chairman :—

Q. Do fruit trees grow in the Province?—Well, as to that I believe that they will do well in it. There were some parties last year who had apples; I suppose this is what you mean.

Mr. Chairman :—Yes.

*Witness :—*Plums and all that we have in abundance, we have fine kinds of plums.

Q. Do they grow well in Minnesota, the adjoining State?—Yes.

Q. And there is no reason why they should not also grow with you?—No.

Q. You have the same quality of soil?—I think that the reason why we have not had much fruit as yet is this: during the last few years the grasshoppers have come in and stripped the fruit trees of their bark, and if you take the bark off, it kills the trees; they grow up again from the roots, however; nevertheless some parties had apples last year, they were crab apples though. I do not know that any other kinds of apples have been tried as yet.

Q. Do the reserves which you have, retard the settlement of the country?—They do very much.

Q. And what would you advise should be done with reference to them?—I would advise that they should be thrown into the market.

Q. And be disposed of?—Yes; but only to actual settlers, otherwise they would fall into the hands of speculators and be reserved again.

By Mr. Hagar :—

Q. What reserves have you reference to? Those of the Half-Breeds?—I allude to the Half-Breed reserves and also to the railway reserves.

By the Chairman :—

Q. And are the Hudson Bay Company reserves also a draw back to the settlement of the country?—It cannot be said at present, I hope to see them some day in the hands of a Canadian Company to be made use of; I do not know that they are very far off from that now.

Q. So that the Company would become good immigration agents?—Yes; I believe that this would be the case.

Q. Do summer frosts prevail to any extent in the Province; are they detrimental to the cultivation of wheat?—No; not in the Province of Manitoba.

Q. What is the general appearance of the country?—Flat.

Q. Is it sufficiently undulating for actual drainage purposes?—It is very easy of drainage.

Q. In the event of a large influx of immigration to Manitoba, do you think that there would be any danger of farm produce glutting the market?—I think not.

Q. Under the circumstances, as wheat can now be brought here from Manitoba for 29 or 30 cents a bushel, I should think that this argument would be set aside?—I do not think that wheat will ever be a glut in the market, but vegetables may become so.

Q. Do vegetables grow very large and abundantly there?—Yes.

Q. What species of fish are to be found in the Red and in the Assiniboine Rivers, and in Lakes Winnipeg and Manitoba?—Whitefish and pike.

Q. In large quantities?—Yes. Then we have the gold-eyed perch, sunfish and sturgeon in large quantities.

By Mr. Hagar :—

Q. And bass?—I do not think that we have bass. I have heard some say that we have them, but I should think not.

By the Chairman :—

Q. Do any people make a business of fishing?—No. There are nevertheless large quantities brought into the market and sold. They are frozen in the winter. We get fish both during the summer and winter.

By Mr. Farrow :—

Q. What species of wild animals range over the prairies?

*Witness :—*Do you mean animals fit for food, or animals in general?

*Mr Farrow :—*I mean wild animals in general. Have you any bears?

*Witness :—*Yes.

Q. And wild cats?—We have bears, wild cats, foxes, wolves, and deer of different kinds; we have also buffaloes, but they are far from us—about as far from us as from you.

By the Chairman :—

Q. Have you ever resided in Ontario or in any of the other Provinces during the winter season?—I have been down as far as Sault Ste. Marie, on Lake Superior. I was there during two years.

Q. How does the climate of Manitoba in winter compare with that of Ontario?—I prefer our climate to yours. It is very much better, and every one who comes down here from Manitoba says the same thing.

By Mr. Farrow :—

Q. At this season—you see what the weather is now—is it generally as fine in Manitoba and as far forward as it is here at the present time?—From the reports I have seen it seems to be just as favourable in the Province of Manitoba as it is here. There is no snow in the Province.

Q. You know yourself, from your experience of other years?—I find that we are not much behind you. I took notice last year in going home. I went through the country very rapidly and I was not delayed at all; and I watched the country all the way up from Chicago, and when I reached Manitoba I found, on making allowance for the four days consumed in travelling, that appearances were about the same. We were ploughing early in April.

By the Chairman :—

Q. The season is open in Manitoba as early in Ontario?—I should say that there is little difference, it is not very much; we have more rapid vegetation, we make up for the difference in this way, our vegetation is certainly more rapid than it is here.

Q. I suppose that new settlers would have easy access to fish and game to obtain a portion of their sustenance during the summer season?—As to fish, well, if they were far away from the rivers it would be difficult; but they can purchase fish, and game they can get in any amount wherever they go, that is to say, ducks.

By Mr. Farrow :—

Q. We have a good many people whom we cannot call poor men who would like to go out there, they may have \$100 and four or five children; could they do anything out there, get land and improve their circumstances?—You see this \$100 would be taken pretty well up in building a little house unless they settled near a bush. Men with \$400 or \$500, and who will work, can do very well in the Province.

By the Chairman :—

Q. Could the settler not get in a few acres of root crops?—He could, and very easily.

By Mr. Farrow :—

Q. I would like to obtain sufficient information on the point I have raised, because there are four or five of my neighbours who have been talking to me about it, and the advice I might give them they might act upon; and I would be very sorry to get them there and have them dissatisfied. They asked me if there was any possibility of the Government helping them to get there.

*Witness :—*The Government does not help them so far as I know.

*Mr. Farrow :—*I know one man who has fourteen children, and his boys are 8, 14 and 15 years of age; if they could once get there they would be an accession to the country, for they are all willing to work.

*Witness :—*I know of no country where a poor man can attain to comfortable circumstances easier than he can in Manitoba.

*Mr. Farrow :—*He would be willing to pay back to the Government any aid he might receive, he would take up land and refund any advance that might be made him.

*Witness :—*I have no means of saying what the Government would do, but they do not extend such aid at present; what they might do I really do not know.

I think that a good persevering fellow with \$100 might make a living there. He might go to work for a little while, and then take up land.

If he would do that he might do very well; still, you see that \$100 with a large family like that is soon eaten up, and he cannot expect to add much to the \$100. If he obtained work it might take all his wages to feed his family, and a little more; but many of the boys might work as well.

Q. Of course he could work; how many hundred dollars do you think a man ought to have when he arrives at Winnipeg?—I think that a man with \$300 or \$400 could make sure of being very comfortable.

By the Chairman :—

Q. With a family?—Yes, with a family, if they were willing to work.

By Mr. Farrow :—

Q. Probably he might leave his boys at Winnipeg?—Yes; they might get employment there in one way or other during the summer; but it would be more profitable for a man to put his labour in land.

Q. It would take him some time to get the land; he would have to go and pick out the land and locate it?—The trouble is that people are too anxious to secure the finest land; they want something better and better all the time, but there is good land anywhere in the Province, if they will settle on it. They all want to be near the centre, as it would be near Winnipeg.

By the Chairman :—

Q. What quantity of land is allotted to each member of a family?—160 acres is given.

By a Member :—

Q. To the head of the family?—To any one over eighteen.

By the Chairman :—

Q. To any member of a family?—No; any one over eighteen years of age.

Q. And what are the terms of settlement?—Three years.

By Mr. Farrow :—

Q. Do you think it would be any use to approach the Government in any way, and ask for any assistance to be given to such parties as I spoke about.

*Mr. Chairman :—*I do not know that any suggestion from the Committee to this effect would do any good, but it would do no harm.

*Mr. Farrow :—*You are aware that parties are got out from the old country who are not half as good for settlement purposes as these persons who are Canadians?

*Mr. Hagar :—*But we have them here already.

*Mr. Farrow :—*But they want to get there; they are starving where they are now; I know of four or five families who have no work in winter for their children or for themselves.

By the Chairman :—

Q. Do you really know of any mineral deposits in the Province of Manitoba?—No; I really know nothing of a certainty about them—salt excepted.

By Mr. Hagar :—

Q. What is your school system in Manitoba; is it similar to the Ontario system?—It is much the same.

Q. They are generally free schools?—Yes.

By Mr. Farrow :—

Q. What do the teachers receive per annum?—Well, I could not precisely say what they get there.

Q. I suppose they are graded as elsewhere?—I think that one teacher, who takes charge of the High School, receives \$1,200 a year.

Q. But out in the rural districts?—I do not know; they have about \$500 a year, I think, but I could not say.

Mr. Hagar :—That would pay a second-class certificate here.

By Mr. Cunningham :—

Q. Is the cost of living much higher in your Province than it is in Ontario?—I do not think it is at present.

By Mr. Farrow :—

Q. Excepting Winnipeg, I suppose that it is high there?—The only difference is the freight with the small profit we put on such goods.

By Mr. Cunningham :—

Q. What per cent of profit do you take?—I think that it is as much as ten or twelve per cent.

By Mr. Farrow :—

Q. At what price do you sell fair tea up there?—We sell a fair black tea at forty cents per pound and upwards.

Q. And what is the price of green tea, is it the same?—Yes, good green tea is sold at about the same price; but green tea is not much used up there.

Q. And how do you sell a nice kind of yellow sugar, for instance like what Red-path used to make?—You can buy it for about seven pounds for the dollar; and some merchants even give a little more.

Q. What is rice a pound?—I could not be sure of that, and yet I sell a great quantity of it.

Q. Is it six cents a pound?—I think that it is a little higher than six cents a pound.

Q. We have sold it for six cents in Ontario, but it is less now; it is cheaper?—I think that the price is about seven cents and a half a pound.

Q. Can you buy raisins for 12½ cents a pound there?—Yes.

Q. And currants for ten cents a pound?—I would not like to say that; I am not sure about it.

Mr. Farrow :—We have to pay nine cents a pound, I think.

By Mr. Hagar :—

Q. Do you know whether hops are cultivated in the Province?—Hops grow very finely there. Hops, like flax, grow better the farther north you go.

Q. I should think that with the soil and its depth, this article would be extensively gone into, if your soil would not require manuring?—Hops grow splendidly up there.

By Mr. Borron :—

Q. What do you think the Indians will turn to, if the buffalo fails, and I consider it absolutely certain that they will be killed off; will they take to pastoral pursuits and the breeding of horses?—I do not know; you cannot say much about them.

Q. But will you have to feed them?—If we do not protect the buffalo, the Government will have to feed them.

By Mr. Cunningham :—

Q. Is there such a thing as ague in the country?—There is no such thing. A person who had it before coming to the Province might suffer from it, but he very soon gets rid of it.

Q. Do children grow up healthily?—Yes, they are very healthy. There is always something or other affecting children, but we have no epidemic of any kind.

*Mr. Cunningham :—*In our country on the Pacific coast, people are remarkably healthy.

*Witness :—*We have no severe cases of fever. Children go through the measles and all those things, but diseases may become more prevalent as the country is settled up.

By Mr. Forbes :—

Q. You have no fevers in your climate?—No.

Q. Have you typhoid fever?—There have been cases of it, where houses have become overcrowded, and where a number of people have slept together, and houses are badly ventilated.

*Mr. Forbes :—*These are malarious diseases, arising from the decay of vegetable matter, &c.

By Mr. Christie :—

Q. You think that the whole country is healthy, and that it will compare favorably in this respect with Ontario and Quebec?—I believe that it is very healthy.

Q. Is consumption a common disease?—It is about the same as in this country; and I think the reason is that shoes are not generally worn by the Indians. These people go about in moccasins in the wet and frost, and their feet are almost always wet.

*Mr. White (Renfrew) :—*This disease also seems prevalent among the Indians here.

*Witness :—*It seems to be about the only disease amongst them, and it is contracted from exposure. I have known of several cases of gentlemen having gone up there, who were reported to have almost no lungs at all—one being gone and the other pretty nearly gone—and I have known them afterwards to become strong and well, and remain in the country; they preferred to remain in it. There was a recent case of a clergyman having been sent up there from Ontario. He was very unwell from this cause, and he merely went up for a change of air, in the hope that it might help him. He now feels perfectly well; I forget his name. I have known cases of parties going in there of whom it was said that they would not live long, one lung being gone and they coughing all the time; and afterwards they got well.

*Mr. Forbes :—*People with pulmonary affections go from here up there, and they are sure to be benefitted, owing to the dryness of the atmosphere. It helps them.

*Witness :—*The only thing I ever heard people say anything about, was the atmosphere; a good many seem to complain of it, but whether it was because it was so healthy that they did not care whether they were wet or not, I do not know, but I have heard a few complain of it.

Q. Did I not understand you to say that the drainage was very defective, and that the country was low and swampy?—I said that the country is easily drained by running a plough across the fields; this always affords outlets for water.

Q. Is there declivity enough in the soil to carry off the water?—Yes.

Q. How far is it carried: to streams and brooks?—Yes; to brooks.

Mr. Forbes:—If it was just carried to swamps, that would just make the country more unhealthy than if it was carried to brooks.

By a Member:—

Q. Have you many swamps in your country?—We have swamps, but not very many of them.

Q. Do they dry up in the summer time?—The trouble is, that we have not swamps enough for some of the people, for haying purposes.

By Mr. Hagar:—

Q. That is where the hay grows?—Yes.

Q. Do you know the yield per acre of clover and timothy?—I really could not say.

Q. I do not think that you have said anything about Indian corn. Do you know whether the soil and the climate are adapted to the raising of it?—Indian corn is grown in the gardens, and some patches in the fields do very well. It is raised a little. Indian corn could always be raised every season, and it would make a splendid means of feeding; and it would pay well as fodder, I believe.

Q. But you are not sure that it always matures?—I do not think that it always matures.

Q. Perhaps you have not tried the earlier varieties?—They have not been much tried, but they all grow very well. People can get something of a yield just for their own use.

Mr. Hagar:—For their own use; I do not think that it is a corn country, though the soil must be rich and well adapted for it.

The Chairman:—

Q. You want a sandy and warm soil for corn?—I think so.

By Mr. Borron:—

Q. Do not the Indians grow it near the Lake of the Woods?—Yes; they grow it. They have some patches of it.

By a Member:—

Q. Are the nights hot in the summer time?—They are always cool.

Q. You cannot sleep without some clothing on?—We have none of the warm, sultry nights which prevail in some places.

Mr. Cunningham:—The climate is the same in this respect as it is on the Pacific Coast.

By Mr. Hagar :—

Q. Do the mosquitoes and black flies trouble you up there?—The mosquitoes are bad enough.

Q. In the open prairie?—They are not so troublesome in the open prairie, the grass is so rank, I never heard many complaints of them.

By Mr. Cunningham :—

Q. They are bad in the swamps, are they not?—They are worse there; they are troublesome in swampy places but I do not think that the musquitoes will frighten any one except some one who goes out there for pleasure.

Q. They do not remain long?—No.

Q. When are they most troublesome?—On summer nights we are frequently troubled with them.

By Mr. Hagar :—

Q. Do you know whether there are any flies that trouble the cattle much in the summer time—like the big horse fly, etc.?—Yes, sir; they do; we call them the bull dogs, they take a bit right out of the flesh, they are larger than the house fly and brown in colour.

Q. How do the cattle generally protect themselves in summer from their attacks?—I never hear of them giving much trouble except to people who are working cattle; they annoy them so much that the people do frequently protect them; but the cattle outside seem to get along well enough, I have never heard of much complaint.

By Mr. Christie :—

Q. Is cholera common up there?—We have never had any cases of it.

Q. I do not mean the malignant form of the disease?—We have some diarrhœa and such diseases as that.

Q. Do they suffer more from colds than in this part of Canada?—The only way they suffer is practically in the houses. The people do not seem to suffer from cold outside; they do not seem to complain outside the houses, but if a man has not been able to make his house warm, he will no doubt suffer the cold.

Q. I have reference to the disease—to catarrh, and to taking cold as it is known in common language; are people there subject to taking cold?—I sometimes know of cases of that kind, but the people affected seem to go about.

Q. It is not more prevalent than usual?—No.

By the Chairman :—

Q. Do you know at what date the Red River is open for navigation?—We always look for the river to open about the 20th April. I have known it, however to open on the 1st day of April.

Q. You have known this occur on the 1st of April?—Yes; but that is in a very unusual season. We look for it generally to happen between the 20th and 28th of April.

Q. That is when the boats commence to run?—Yes.

Q. At what time does the Ottawa River open?

Mr. Lowe :—I saw by the telegrams last year, that Red River opened for navigation at least ten days before the Ottawa River did.

Mr. Bannatyne :—Last year the boats went down Red River about the 23rd or the 25th of April. The reason why they did not go down earlier was, that they had to run up to Moorehead, having in the previous fall been frozen in the river. This was owing to the rush of business—they had had all that they could do. The boats all stopped and went down to the other end. They usually try to lay up at the head of navigation. This was the reason why the boats had to go up. I might safely say, that navigation was open about the 22nd of April, last year.

By Mr. Lowe :—

Q. At what time does it close in the fall?—It is pretty unsafe after the 20th of October. You can run boats some years in November, but I think that I may safely say that navigation closes about the 25th October. The water runs so slowly, that a severe night's frost puts an ice over it, and no one will run. We try to have all the freight in about the time I have mentioned at the very latest.

By Mr. Lowe :—

Q. With reference to the cultivated grasses, is any difficulty experienced in growing them; have you known of any difficulty?

Witness :—Do you mean timothy?

Mr. Lowe :—Yes.

Witness :—I do not think that there is any.

Q. You have not known of any difficulties being experienced in this cultivation?—I have known of none; I think that they can be grown very well. I was told last year by a gentleman in Mr. Fleming's Department, that some party in your department had stated that timothy grass would not grow there; but I know to the contrary. I have had it grown, and it has grown very well.

By Mr. Hagar :—

Q. Has clover been tried there?—Yes; but I think not in any quantity. I think it will suit the country well; it is a hardier kind than the other.

By Mr. Lowe :—

Q. Have any serious attempts to grow the cultivated grasses been made that have failed?—No; not that I know of. I know it has been tried, and it does well. I know of no attempts that have failed, except formerly, when we had to get the seed in the way I have mentioned. Until lately, when we obtained such rapid means of communication by way of the United States, we had no means of bringing in fruit trees; but now that we can get them in so rapidly, a very large number were brought into the country last year, and this will be the case every year in future. People are bringing them in, and they propose to start nurseries for themselves.

By Mr. Hagar :—

Q. Do you know what is the comparative value of native grasses, and of cultivated grasses, for use as winter fodder?—I could not really say what it is. I know that away from Winnipeg, where the grasses are cut up and destroyed a great deal, they get a little sour, they are not as good as they were; but out in the country back a piece, many farmers never think of giving grain to their horses.

Q. They only feed them with native grass?—Yes.

Q. It must be very nutritious?—It is.

By a Member :—

Q. At what time do they generally house stock, and for how many months?—I think from about December to the end of April.

By Mr. Hagar :—

Q. It is about the same period as here, I fancy?—The grass seems to grow so rapidly that the moment there is a little heat, it makes a difference, and the cattle go out, and they fatten very quickly. During the first few days the grass seems to act as a sort of purgative, but immediately after that they seem to fatten very quickly; they grow very fat. I think that the greatest trouble about raising grasses is that there is so much wild hay and native grasses, that people will not really go to the trouble of raising artificial grasses for their cattle.

By Mr. Lowe :—

Q. The only objection I have heard made to the native grasses, is this: That as cultivated grasses cannot be raised with any sort of certainty, it is necessary to maintain a very large expanse of pasture for a few heads of cattle, much larger than with the ordinary grasses with us.

*Mr. Bannatyne :—*I do not think so. I consider that there is too large an expanse of pasture there already.

*The Chairman :—*I saw a very nice field of timothy at Poplar Point; it belongs to the inn-keeper there, and it was a splendid field.

*Mr. Bannatyne :—*I have seen splendid fields of this grass in the Province.

*The Chairman :—*Many of them?

*Mr. Bannatyne :—*Yes; the grass was as high as the fence.

*Mr. Lowe :—*The question is: is there any difficulty experienced in raising it?

*Mr. Hagar :—*I think the great trouble would be that the winter would kill it. That must be the trouble. The ground lifts up, owing to the effect of the frost, and the roots are exposed. I think that must be the only trouble, for the soil must be adapted for it, and the climate also. I think you could have a growth of it when once rooted.

*Mr. Lowe :—*I have heard it said that when the natural grass is destroyed and the prairie is ploughed over, it is difficult to grow the cultivated grasses.

*Mr. Bannatyne :—*The finest grass we have is the wild grass, for all purposes. If it is cultivated and you get the seed from it, there is no finer grass anywhere.

By Mr. Lowe :—

Q. It grows with facility?—Yes.

*Mr. Lowe :—*That is the point, if it can be done.

By Mr. Hagar :—

Q. Is it natural to the soil? Does it grow spontaneously after the soil is broken up? Suppose you did not put any crop in, what springs up?—Weeds.

Q. What kind of weeds?—All kinds of weeds. Probably weeds that have never before been seen around there at all; you really cannot account for it.

By Mr. Cunningham :—

Q. Have you sored in that country?—Yes; I think that we have it.

*Mr. Hagar :—*I do not think that this grass would be natural to that soil.

*The Chairman :—*You will find some little ridges of it. It is not prevalent there, but is found where the soil is a little light.

*Mr. Bannatyne :—*When I saw the glowing report written by Mr. Pilgrim about your country, I thought ours equally favourable; I have lived there for a few years, and I know it.

MR. HILL'S EVIDENCE.

FACTS PERTAINING TO TRANSPORTATION—EMIGRANT AND OTHER FARES—TRANSPORT OF GRAIN—NORTHERN WHEAT AND MINNESOTA FLOUR.

THURSDAY, 5th April, 1877.

MR. HILL appeared before the Committee.

Q. What is your name?—James J. Hill.

Q. You are a member of the firm of—?—Of the Red River Transportation Company. This is our proper legal term.

Q. Where do you reside?—At St. Pauls, Minnesota. I was formerly a resident of the Dominion.

Q. Have you had a large experience in transportation?—Yes; I have been engaged in transportation in that country for twenty-one years.

Q. Have you hitherto been charged with the conveyance of immigrants going to Winnipeg, in Manitoba?—Yes, we have.

Q. What were your rates of transportation for immigrants from Duluth to Winnipeg during the past season?—During the past year the rate charged immigrants who were going to settle in Manitoba, was \$10. This included passage from Duluth to Winnipeg, and each passenger was allowed to carry, free of extra charge, two hundred pounds of baggage.

By Mr. Hagar :—

Q. Is this the charge by rail and river?—By rail and by steamboat.

By the Chairman :—

Q. By rail to Moorehead and Fisher's Landing, and then by steamboat to Winnipeg, down the Red River?—Yes.

Q. Have you taken any immigrants into that country by this route?—We took out the Mennonites who settled in that country. There were something over five-thousand of them.

Q. That have gone by your line?—Yes.

By Mr. Biggar :—

Q. What difference do you make between settlers and travellers going to the Province of Manitoba?—The price of the second class fare is fifteen dollars, and the charge for immigrants is ten dollars per head.

By the Chairman :—

Q. Who do you consider immigrants; supposing a person was to remove from here to that country.

*Mr. Hagar :—*From what point?

By the Chairman :—

Q. From Duluth. Do you make any distinction?—There is no distinction made in the mode of conveyances.

Q. Is there any distinction made in price?—The distinction in price is five dollars, and the object of that is to settle up the country.

Q. Supposing parties were to leave this section of the country in a body of four or five hundred, as I understand is now contemplated, would you consider them immigrants?—We consider as an immigrant any person who goes into that country with the view to become a settler.

By Mr. Biggar —

Q. Whether they come from Europe or from the Dominion?—No matter where they come from, from the Dominion or from anywhere else. We would be very glad to have them come from Ontario into that country, for they are quite as good as the European immigrants.

Q. What do we understand by second-class?—The ordinary second-class; if a man on the Grand Trunk, buys a second-class ticket, he does not ride in a first-class coach, but yet he goes on the same train.

Q. Then you have two kinds of coaches?—On the Northern Pacific Railway they have the same coaches as are on the roads here, and all travel by the same train. The idea which induced the establishment of a specially low rate, was with a view to securing the settlement of the country up there.

By the Chairman :—

Q. The accommodation on the boats is precisely the same?—By boat and by rail. Yes.

By Mr. Bain :—

Q. It is practically a second-class fare reduced for the accommodation of immigrants?—Yes; there is a special rate for second-class transportation.

By the Chairman :—

Q. Do I understand that this rate will apply in the event of a large immigration from any portion of Ontario with the design of becoming permanent settlers of Manitoba and of the North-West?—Yes.

Q. And that you will carry them up there for \$10 a head, or will that low rate prevail during the ensuing season?—The rate of \$10 from Duluth to Winnipeg would be the rate that they have to pay for the coming season, and that includes 200 pounds of baggage for each passenger, we have to establish some reasonable amount, but we

are not particularly close on the baggage question, we have taken them through when they had more than that weight of baggage.

Q. Do you know the fare, or have you any connection with the other lines from Sarnia to Duluth?—There have been some changes during the past winter in the lake arrangements; but the lake rates are very low. I do not know that there will be any advance, and possibly there might be a reduction.

Q. What were the lake rates during the past year?—I think that the rate from Toronto to Duluth was \$6.50.

By Mr. Hagar :—

Q. Do you allude to the immigrant classes?—Yes; however, I do not know this of my own personal knowledge. I only know of it in a general way, but I think my estimate is quite correct; still I am not positive as to the amount.

*Mr. Biggar :—*I did not catch the question you asked.

*Mr. Chairman :—*It was in reference to the fare from Toronto to Duluth, and Mr. Hill stated that to the best of his knowledge it was last year \$6.50, making the fare \$16.50 from Toronto to Winnipeg.

Q. Have you in contemplation the reduction of the fare for ordinary excursionists?—Yes.

Q. And the establishment of return tickets for next season?—Yes.

Q. What is the proposition?—When I was in Montreal I spoke to Mr. Wainright, the general passenger agent for the Grand Trunk Railway Company, a few days ago, and, in relation to excursion tickets, something was said about the plan on which they were issued last year to Philadelphia—that is a ticket at a reduced rate up and back, which a man can buy at his own home; and I said that we would *pro rata* take any proportion of any rate he would make; for instance we might establish the rate from Toronto through to Winnipeg and return at \$50. This would be for first-class tickets, and we would allow parties to go up by the lake and return by the lake, or go up by the lake and return by way of Chicago, as they might see fit.

By Mr. Biggar :—

Q. What discount would that be compared with the present rate?—That would be about one-half of the present rate.

By Mr. Bain :—

Q. The tickets would be good for thirty or sixty days?—They ought not to be good for less than ninety days, for when people get up there they want to feel that they have plenty of time to explore the country. It would not be done for the profit we would make out of the transaction, but for the accommodation of passengers; and by a rate of that kind, every man who went up there during the summer would become an immigration agent, because he would see the country, and then he could not help being enthusiastic in relation to it.

By Mr. Bain :—

Q. Of course the longer the time is extended, the more temptation there will be for parties to go up there—will be greater than if this was not done?—Yes.

By the Chairman :—

Q. What are the rates for carrying wheat and grain?—Last year the first

✓ wheat that was ever sent out of that country was brought down, and we carried it to Duluth for 24 cents a bushel.

Q. From Winnipeg?—Yes.

Q. And it was carried to Toronto for 35 cents a bushel, if my recollection serves me right; that is from Winnipeg to Toronto?—The rate was 35 cents a bushel, or 30 cents to Sarnia.

By Mr. Hagar :—

Q. What was the rate to Duluth?—Twenty-four cents a bushel.

Q. And what was the rate from Duluth to Toronto?—Taking 24 from 35 cents, that would leave 11 cents.

Q. To take it to Sarnia?—The rate was five cents a bushel from Duluth to Sarnia.

By Mr. Bain :—

✓ Q. Was any quantity of grain sent down?—Something in the neighbourhood of 5,000 bushels were brought down.

Q. What are your freights inward?—Of course there are different kinds of freight, but they averaged last year a trifle under 50 cents per hundred pounds.

Q. From Duluth?—No; but from Moorehead.

By Mr. Hagar :—

Q. From Moorehead alone?—Yes; fifty cents was about the average rate.

By Mr. Bain :—

Q. To what height do they go on the river?—There are so many different special rates, some are sixty-five cents a hundred pounds, and there are special hazardous rates up to \$2.00 and \$2.50 a hundred pounds.

By Mr. Cockburn :—

Q. What are the first-class rates on the river?—The greater proportion is sixty odd cents.

Q. What is the distance?—It is 350 odd miles from Fisher's Landing and 90 miles from Moorehead.

By Mr. Bain :—

Q. What is the cost of freight on the heavy articles,—pork, for instance, and on barrels and boxes?—The charge for pork from St. Paul is \$1.80 a car, if my recollection serves me right, or ninety cents a 100 pounds.

By the Chairman :—

Q. Would it be the same from Duluth?—It is a little less than from Duluth.

By Mr. Bain :—

Q. From Duluth to Winnipeg?—Yes.

By the Chairman :—

Q. In considerable lots it would be less, I suppose?—Yes; they make, I think, a difference of fifteen dollars on a car. I have not the classification and freight tariff with me, but it is about that. I speak from recollection merely.

By Mr. Bain :—

Q. That is about the figure, according to your recollection?—Yes; and that is, in the main, correct. Grain can be brought from Manitoba for twenty-four cents, that is from Winnipeg to Duluth, and as the amount to be transported increases, the rate would be reduced.

Q. Of course then better facilities would be provided for its transportation?—Yes. They have now to bag it and handle it in that sort of way; but they would not do so if there was enough to transport on barges in bulk. A barge would carry from six to eight thousand bushels of grain. But it would not pay to go to work and arrange a barge to carry wheat in bulk, and to have to disarrange it for all other business, for the sake of one or two barge loads. It is a question of time—until there is sufficient grain to be transported as a surplus. There is a large demand for it in Manitoba from new comers, and those going into the newer parts of the country and the interior. There is also a demand for it from the West all the time, and until such time as there is a surplus sufficient to make it an object to change the vessels or barges, it will have to be transported in bags. One year would work a wonderful difference in this respect. I remember when the first bushel of wheat was shipped from St. Paul, it was shipped in bags, and for a time that system was continued. When we commenced to carry wheat in bulk on the river people would say that it could not be done. People told us it was not possible that it could be done. These great barges are of bulky proportions. Some hold twenty thousand bushels, and it takes a stern wheel steamer to come down with three of them and 60,000 bushels in tow.

By the Chairman :—

Q. Have you an elevator in Moorehead?—No. There is no occasion for one.

By Mr. Bain :—

Q. As soon as the trade becomes developed one will be necessary?—Yes, but only a transfer elevator.

By the Chairman :—

Q. That will necessitate some expense?—It is a matter of a couple of thousand dollars. The transportation companies would have to furnish it in self defence, as it were, because it is the easiest method of handling grain.

By Mr. Bain :—

Q. And it is more profitable?—Yes. Take at the present time the place where the Mennonites settled at New Odessa in Dakotah, just north of Yankton. They went up there at the same time that your Mennonites went to Manitoba. A number remained in the United States, and settled in Southern Dakotah, and the place where they settled they called New Odessa. It was named by themselves. They paid twenty-nine cents to carry their wheat to Duluth. That is the rate to Duluth from Yankton. That section of the country is being rapidly settled up, and it is a rich agricultural section; but they have not as good land, and they have not the same amount of good land, that they have in the Province of Manitoba; it is not as good. I have been over the country, and I am familiar with it; I know both Manitoba and that country. They are also more liable in Dakotah, being closer to the Sage Brush

country, to visitations from locusts. This country is also more easily affected by drouth, than Manitoba, and by dry seasons; it is a prairie country, and the Province of Manitoba is pretty well watered.

By Mr. Hagar:—

Q. And the soil is not equal to the soil on Red River?—No; you will not find it in any other place on the American continent as good as it is in Manitoba, unless it be in a little place on the Wabash, a short distance from Miami, nearly opposite St. Louis, called the Illinois Bottom; but anywhere else I have never seen any soil so rich as it is along the Red River.

By the Chairman:—

Q. You have travelled very extensively?—I have been in every State in the Union, I think, except in the Pacific States.

Q. And for a settler to make a comfortable home for himself, you would prefer Manitoba to any other place?—The soil in the Red River valley is, to my mind, the richest farming country that I have ever seen. It is not only rich, but it has also bright prospects. A few years ago, St. Louis was the centre of the fine flour trade of the United States. St. Louis winter wheat flour would sell for more money by a dollar a barrel than any other flour, not barring your best Canadian. Take the best Canadian flour and send it to the Eastern markets, and St. Louis winter wheat flour will outsell it. Still within these last few years, in Minnesota, they have started a patent process of making flour, from this hard Fyfe wheat. The flour does not look white; it looks yellow, and it is almost like powder. Take it in your hand, and you will find it comparatively coarse; but when you come to bake it, it makes whiter and better bread, and sells better than any other. Take up any paper and look at the prices current in any of the large cities, and you will see that Minnesota Patent Extra heads the list by fifty cents or a dollar a barrel. We have in Minneapolis an interest which has sprung up within eighteen years, and which has been growing stronger every year since. When the first flour was shipped to Minneapolis it had to be hauled in waggons for eleven miles to the mill to be ground; but they have now there a milling capacity of between six and seven thousand barrels a day, and they grind up from six to eight millions of bushels of wheat into flour per annum.

Q. With water power?—Yes, at the Falls of St. Anthony; and this has all been done on account of the very great success of this patent process. Well, now, what I was coming at is this: you might think that the subject is foreign to Manitoba, but it is not. The wheat that is necessary to make this quality of flour must be grown in a cool, northern latitude; and the farther north it is raised, the better wheat it is, and the better the quality of flour made from it will be. The millers of Iowa come up to Minnesota and fight for that wheat; the wheat-buyers of Chicago and Milwaukee and the wheat-shippers cannot get on to the northern roads—they cannot get on to the roads running to the northern part of Minnesota and buy any of that wheat, because those millers absolutely control the market. They will pay the price that wheat is worth in Chicago and Milwaukee sooner than allow them to come in and buy any of that hard wheat. The same statement applies to Manitoba, but only in a greater degree, because a superior quality of wheat is grown in Manitoba, it being further north. You have seen the samples, and you know if you have tried it in the hand, or between the teeth, that it is hard wheat; and Manitoba is a country which is peculiarly adapted to the growth of that quality. The quantity raised will not make any difference; the whole country might go to the growing of this wheat, and it would not even affect the price, because there is always a demand for good flour; and this is a locality that must raise it.

By Mr. Bain:—

Q. Where is a market chiefly found for grade of flour?—It goes all over the Union. Any of you gentlemen who were at the Centennial, may have seen the

Vienna Bakery, which was a feature in the Exhibition. The Vienna Bakery would not use winter wheat when they first came there, in the spring; they said that they could not use it, but the moment they tried the Patent Process Flour, they would not use anything else.

By Mr. Hagar :—

Q. What is the process?—First they blow out the dust of the inside berry; the inside of the kernal being the softer is the portion heretofore depended on to make the finest flour. Now they use the outside and flinty part.

By a Member :—

Q. What mills in Canada use it?—At the Ogilvie Mills the same flour is made and the same process is employed.

*A Member :—*Mr. Ogilvie goes to Minnesota to buy his wheat.

*Mr Cockburn :—*Mr. Snider, of Waterloo, has had it for twelve years.

*Mr. Chairman :—*I know that there is a great demand in the West of Ontario for Minnesota wheat.

*Mr. Hill :—*The only point is that not one bushel of Minnesota wheat is shipped from the States where it grows. The millers get it all. I only speak of these things to show that you cannot over-produce it. There is no such thing possible. When the ordinary spring wheat would be dull in the market this wheat always commands a good price, and it will be sought for too.

By the Chairman :—

Q. The small quantity you brought up during the past season, I suppose, was of very superior quality notwithstanding the bad season?—There is one trouble down there. The farmers, many of them, did not look after their crops: that is, it was their first year. The growth is very great. The soil is rich, and it will stand almost fifty per cent. more seed than your soil here, and nourish it. You can plant thickly and still have a good crop. The straw will be heavy.

Q. How much do they sow per acre?—I think it is something over two bushels

*A Member :—*That is more than we sow here unless the land is impoverished.

*Witness :—*Many of them last year went to work and planted their crop, and expected that it would about grow as it does here. The growth is a great deal more rank, strong, thick and heavy. The result was that they had a great deal of lodged wheat, and in that way a portion of the crop was injured. You can understand that.

Q. It did not fill out?—There is no reason why the crop up there having such a soil and good seed, and all that is necessary to the best development of a crop, should not be a good one. It will give a fine yield in the hands of good men who have had a little experience, and who know just what is the best thing to do. They will get a crop that will astonish them. I should not be surprised to see plenty of fields yielding over fifty bushels to the acre, in a good year, and under good tillage.

By the Chairman :—

Q. Could you give the through rate to Sarnia or some leading place?—On the Grand Trunk you can get through rates at every station on their line if you are inclined.

Mr. Farrow—Kincardine is an important point out our way, and an outlet to the Southern Extension Railway.

By the Chairman :—

Q. It might be much cheaper to Kincardine than to Toronto?—There will be tickets to all local points. There is just one point which I would like to mention. Parties here in the east, where transportation is comparatively low, being in the settled portions of the country, have been used to it for a long time, but if many of us would go back for twenty-five years, we would remember the times when rates were higher here. Take the west, from Manitoba down, the distance is about seven hundred miles and a little over to Duluth, by river and by railroad, and the rate of twenty-four cents is charged for bringing freight this distance, is one that will compare favorably with the Western States and the prices of transportation there. Take for instance from Dumont to Chicago, or, as I said before, from Yankton to Chicago, or Duluth beyond. I speak of Yankton because, at the same time that the Menonites went in, a settlement went in there and as in Kansas. The rate is much less than it is there. The rate from St. Paul in the winter time is twenty-one cents a bushel to Chicago for wheat; in summer time, when the river is open, the rate is eighteen cents. The distance is 407 miles. That is a rate which will compare favorably with those of other localities in the west, and consequently the people who go into Manitoba will not be any worse off, as far as the expense of transportation goes, than other parties who settle in other localities in the West. I only speak of it in this connection to show that people will not be any worse off if they settle in Manitoba than others who settle in different parts of the Western States.

Q. Is that rate of twenty-four cents for transportation between Winnipeg and Toronto one that can be maintained?—That rate is between there and Toronto so that for the portion of the wheat that is sent to Sarnia or Montreal, or anywhere else, Duluth would be the starting point. The rate is twenty-four cents to Duluth.

By the Chairman :—

Q. That is an established fact?—Yes; and it will be reduced as the amount for transportation increases.

By Mr. Bannatyne :—

Q. The rate is not likely to be increased?—No; things do not go backward in these days.

Q. You consider that as being a permanent rate; that is the point to be established?—Yes; the rate would be reduced as fast as the amount to be transported increases. It might be reduced. After it comes down to twenty cents, you will not see much further reduction, because that is about the minimum rate for the services performed; that is, it is a remunerative rate and a working rate. The transportation companies are anxious to do as well as they can by the public.

By Mr. Hagar :—

Q. What is the length of the season of navigation on the Red River?—It is seven months, and sometimes it is a week or two shorter than that, but it usually lasts for about six and a-half or seven months.

By the Chairman :—

Q. When does it open?—About the 20th of April.

By Mr. Cockburn :—

Q. How many days in the season is it open—170 days?—I think that we have about 200 days.

Q. Two hundred days?—Yes.

Q. That is an exceptional year?—Yes.

Q. What is the shortest season?—Possibly it would be twenty days less than that.

Q. That is a very good season?—Yes.

By the Chairman :—

Q. Do you think that many immigrants pass through the United States and go to Winnipeg, or to other parts of the Province of Manitoba?—A good many go there from different parts of the West. They drive through and go in there.

Q. And do they remain?—Yes; I see a good many do so. They keep coming in there. There is a little settlement, which I suppose is mostly made up of Americans, and old country people and Canadians who had settled in the States, and who afterwards went in there.

Q. That is near the boundary line?—Yes; there is one item which it might be a matter of satisfaction to people here to know of—there seems to be an impression prevalent here that many of the immigrants who go out to Manitoba stop in the United States.

*Mr. Chairman :—*Yes, there is.

*Mr. Hill :—*Now I will tell you what our experience has been in this respect. We get reports of all tickets sold; we obtain reports of all tickets sold in Canada. For instance, the Grand Trunk reports once a month every ticket sold by them at their different stations; and it is the same with other lines—the Great Western or the Northern, or any of the competing roads. We know just what tickets are sold in Canada; and all the immigrant tickets sold last year were taken up from the passengers but thirteen.

By Mr. Bain :—

Q. That statement is rather disastrous to the idea that American agents catch them between Duluth and the boundary line?—Yes. All but thirteen of the tickets were taken up.

By Mr. Borron :—

Q. Out of how many?—Out of something over 3,500 immigrants.

By the Chairman :—

Q. Do they not stop in the States on their way to their destinations, as has been understood was the case?—No.

*Mr. Borron :—*We do not leave them on the way.

*Mr. Bannatyne :—*We do lose some of them too.

*Mr. Hill :—*I know how that is. It is our interest to carry them through to Winnipeg. We do not get anything if we do not carry them through to Winnipeg. We have an interest in keeping them all the way down.

By Mr. Hagar :—

Q. This is only on the railroad?—There is not so much diversion as is supposed of people going through there from the Dominion. It is not much use in any of our people to exercise themselves in talking to them about settling in the States. They are usually glad enough to get out of it.

By Mr. Bannatyne :—

Q. Still, do you not think that if an agent travelled with them at times after they had arrived at Duluth, it would be of great assistance to them?—Yes; it would be of very great assistance.

By Mr. Hagar :—

Q. You have reference to foreign immigration?—I refer to both.

By Mr. Bannatyne :—

Q. A man who is pretty well to do may get on too, and a person settled there who could travel with them could do a great deal to assist him?—He would know what to do, and he could save them many expenses which they now incur and which are needless.

By the Chairman :—

Q. I suppose that your Company, if an agent was stationed at Duluth, would carry him to and fro free of expense?—Yes; we would be glad to do it, for it would facilitate our business.

By Mr. White (Renfrew) :—

Q. Are there agents in Manitoba?

*Mr. Chairman :—*There is Mr. Hespeler at Winnipeg, and Mr. Têtu at Dufferin.

By Mr Bannatyne :—

Q. Such an agent with his headquarters at Duluth would save much more than the cost of keeping every year. The agent could be placed there just during the period of navigation for a few months. The expenditure of a few hundred dollars would secure a good man who would do a great deal. It is just as bad as arriving at some large place, when it is difficult to know whether you are to go this way or that way. An emigrant is a perfect stranger. He knows nothing about the place, and he talks with the first person who pretends to be his friend.

*Mr. Hill :—*The immigrant finally realizes when he gets to his destination that he has been led to invest five, ten or fifteen dollars in such a way that it has done him no good.

By Mr. White :—

Q. That is just where an immigration agent is required?—Yes.

By the Chairman :—

Q. You think that an agent located at Duluth would be of great service to those who intend to settle in the Province of Manitoba?—Yes; I think it would avoid the danger of anything untoward occurring. An immigrant house is situated right there where the landing is; it is a first rate immigrant house. There is plenty of room in it, and I know that the agent could get the use of it from the railway company. Parties could go right in there and make themselves comfortable at once.

Q. What is the average amount of freight allowed to immigrants. Is it anything more than is allowed to others—two hundred pounds?—If they carry anything more, that is to say, largely in excess of that quantity, they are charged a low rate on it. If it is not largely in excess, as is the usual thing (the line has not been drawn very close) we do not charge anything. In one instance there were fifty-two in a party, I think, there were four car loads of effects, and we did not have one car load of people, and they had waggons, seed, wheat, &c., for effects, but we did not charge them extra. We will get that out of them when they have raised some crops.

By the Chairman:—

Q. You look to the future?—Yes.

By Mr. Hagar:—

Q. I suppose that, as a rule, settlers who come into the country do not bring any stock with them?—Well, stock is cheap in the North-West, and the grazing and feeding of stock is a pretty easy matter there. It is a great deal easier than it is here. I think that unless they take in the better grades, or improved breeds of cattle, it would not pay them to take stock in. They might take up there, however, some of the better breeds of stock, so as to improve the breeds existing in the Province. This is very desirable. Horses are cheap up there, as cheap as they are here.

Mr. Bannatyne:—

Q. How do you find clover and other grasses grow in the State of Minnesota?—They thrive abundantly, but the most of our farmers think that the wild grasses are as nutritious unless the clover is cured, and under the most favourable circumstances. As for the housed grass, that is of the ordinary kind, it is not a first rate food; while as to the wild grass, it is an absolute fact that cattle will leave timothy for it. I know that myself from my experience this winter. I feed my horses with timothy, and I also keep a couple of cows, but they won't use timothy if they can get the wild grass or hay.

Mr. Bannatyne:— That is just what I said yesterday.

Mr Hill:— There is an abundance of this grass, as to growing timothy and clover there is no difficulty in raising them.

Q. And you think, as far as you can see, having spent winters and summers in Manitoba, that these grasses are as likely to grow there as here?—Why, certainly, timothy will grow anywhere there.

By the Chairman:—

Q. There is an idea prevalent that it won't be successful?—But it will grow there; I have seen it, and if only a specialty was made of it, I think that there would be a good crop. I would be very much disappointed if one would not get a good crop, and such a crop that would surprise Ontario people, because of the richness of the soil.

Mr. Bannatyne:— It is owing to the fact that the wild grasses are so abundant and nutritious which prevents its being grown.

Q. When the wild grasses are cleared away, will timothy grow?—Where cattle are fenced in, in a pasture for instance, and when they are confined to the use of a piece of ground for two or three years, the field grows up with white clover.

By the Chairman :—

Q. That is very nutritious grass ?—It is in Minnesota.

By Mr. Bain :—

Q. Is it the tendency of the wild grasses, when the pastures are enclosed for the cattle, to die out ?—Where a number of cattle are confined in a pasture, it will run to white clover and red top.

Q. The natural wild grasses will not come up ?—The red top is a wild grass.

Q. The red top is your ordinary prairie grass ?—They have red top and blue joint, both are very nutritious.

By the Chairman :—

Q. The red top, you describe, is not the red top I think that we have here ?—Here it is sour.

By Mr. Bain :—

Q. What is known as red top in Ontario is a fine grass ; it grows very thickly. If it gets a satisfactory soil, it reaches up very tall, and has a small feathered top.

*Mr. Hill :—*Yes ; that is our red-top, it grows in great abundance and tall. It is very nutritious and good for cattle ; cows won't eat timothy if they can get that. There is another thing, you do not see horses troubled with the heaves out in that country, on account of the existence of the red-top and one or two weeds ; then there is the wild pea that grows abundantly there through the grass. I have never seen out there a case of what we call heaves in Ontario among the horses.

By Mr. Bain :—

Q. They say that wild peas grow out there to an enormous length on the edge of timbers ?—There is no end to it, and hops grow wild in that country ; you will find there wild hops that will surprise you, and as nice as anything you ever saw cultivated.

By Mr. Borron :—

Q. Can immigrants cook their meals on the boats ?—Immigrants can do it at Duluth, or Brainard, or Moorehead, or Fisher's Landing. They will buy a ham or shoulder and cook their meals on the cooking stove ; or, if they desire it, they can go up stairs and get their meals, and this is often the case. The man often thinks he can rough it with the boys, and they will send the mother up stairs to the cabin where she gets her meals at 50 cents each, furnished on the boat ; this is also done in cases of sickness or anything of that kind.

*A Member :—*That is a consideration for poor people.

*Mr. Hill :—*They always have the means at hand for cooking for themselves if they choose to do so, or go up stairs and get their meals on the boat for fifty cents each.

By Mr. Bannatyne :—

Q. You find that tree planting in Minnesota is going to be a great success, do you not ?—Yes ; it is the case throughout the State of Minnesota and over towards Missouri where the people have devoted attention to it. It is an established fact, as regards planting of trees, that if you take two men who are equally strong, and twenty-one years old, who marry and settle on one hundred and sixty acres of land each, one on the prairie where there are no trees, and the other on so many acres of

good Canadian forest, the man who goes on the prairie can have one hundred and sixty acres of forest of good growth before the other can have one hundred and sixty acres of cleared land, unless he has outside help besides himself.

Mr. Biggar :—It takes about one hundred years for an ordinary sized tree to grow.

Mr. Hill :—I will show you an elm tree twenty-four inches in diameter that I planted nineteen years ago. I left Ontario twenty-one years ago, and I know it to be a fact.

Mr. Biggar :—That is perfectly amazing, a tree two feet in diameter is a pretty large tree.

Mr. Hagar :—

Q. How large was it when you set it out?—It would not have made a whip-stock.

Mr. Biggar :—We know that it could not be planted out if it was very large.

By the Chairman :—

Q. What month do you think most advisable for immigrants to go out there and settle in the country?—The earlier in the season they go out there the better, for the reason that they will have that much more time to become acquainted with the country, fix up their houses, and get ready for a good crop.

Q. How late can you put in potatoes or oats?—I think you could safely plant potatoes in Manitoba up to the 20th June.

Mr. Bannatyne :—I know that potatoes have ripened after having been planted on the 8th of July. This was of the early rose variety.

By Mr. Hagar :—

Q. You have given us a great deal of valuable information about the wheat crop; can you tell us anything about barley?—Yes.

Q. How does it compare with our best barley?—I have seen a fine crop of barley taken from land which had been cultivated for a great many years. The man said that he did not know how long his father had cultivated it, and he was a middle aged man.

Q. This was without any manure?—They haul away the manure and put it on the ice. They get it out of the way.

Q. I am alluding more to the quality and the colour of the barley?—Barley wants to be taken care of and housed. You will see a great deal of a very fine quality of barley. They say three barley corns make one inch, but I think that the rule in Manitoba would have to be changed, and made to read, two barley corns to the inch.

By Mr. Bain :—

Q. Speaking of barley, how does the dew affect it? I think that something was said about a very heavy summer dew prevailing out there and very little rain. How does that affect the colour? It is rain and dark, wet weather that discolours barley?—This is not the case in Manitoba. I have seen the sun shine a great deal longer during the twenty-four hours than it does here. The weather is drier, and the crop ripens in a shorter time, and that sort of weather is peculiarly adapted to the growth

of barley, the same as is the case in Northern Minnesota and Utah. Barley is of a very high price there. Your Canada barley brings a high price for this reason: You take care of it and keep it in good, big barns, and preserve it from the wet.

Q. You think that the discoloration of barley then is due to the fact that it is neglected and not properly housed?—There would not be any comparison between their barley and yours if this was not the case, for their country is much better adapted for the growth of barley, and heretofore the barley has been simply raised and fed to their ponies and horses.

Q. They feed it to their stock, do they?—They care nothing about it.

By Mr. Hagar:—

Q. If the same care and attention was given to this crop as is done here, you judge that a superior article would be raised?—I tell you that if the farmers in that country gave the same attention to it, and if the cultivation of the soil was carried on with the same skill as it is in my own old county—say Wellington, the result would surprise the people here. I know something of farming myself, because I was a farmer until I left Ontario to go to the West, and I have always kept track of it closely.

By the Chairman:—

Q. If the same tillage and system were employed there, it would produce greater profits and better crops?—Much greater.

Q. Do you know whether flax is successfully raised there?—In the northern part of our State, the raising of flax is very successful as to growth. We have had two linseed mills started within a short time, one at Minneapolis and one at Minnehaha. The farmers did not know what flax was. Many of them would not have it about the place. They were afraid that it was some weed, but the owners of the mills furnished the seed, and said they would give them so much per acre, if they would plant it, and that they would take the chances on the crop. The farmers then found out that they were paid about \$20 or \$22 on the acre, and that the crop was worth from \$28 to \$30 per acre. Consequently they then wanted to sell it by the bushel instead of by the acre. The difficulty experienced was mostly in that way within the past couple of years.

By the Chairman:—

Q. The land out there is peculiarly adapted for the growth of flax?—Oh, yes; we raise good crops of flax, and our manufacture of linseed oil up there is going to be a considerable item in the States, but it is only just started. The oil is shipped to New York, St. Louis and Chicago.

Q. The oil cake is fed, I suppose, to stock?—The oil cake at some of the mills is just thrown away.

By Mr. Hagar:—

Q. It is thrown away?—Yes.

Q. But it is worth something?—It is hard for you to realize it, but good hay can be bought up there for \$1.50 a ton, and what does a man want with oil cake when he can get a ton of hay for \$1.50.

Q. Still, oil cake is fattening?—For stall feeding, it is good, of course, but our people have not got that far yet. They do not understand the feeding of cattle as people do down here. The country is new, but these matters will adjust themselves.

Q. Do you know any thing about how the country is adapted for Indian corn? I suppose it would not pay to raise it up there?—Every year the story is told that corn will not ripen in such and such a latitude, and the year following it is proved that it will ripen there. How far that will prove true, I do not know. The same thing was said about fruit and apples. When I went to Minnesota, for years after, it was said that you could not raise apples there; that it was not a bit of use to try; and the first thing we knew of, people were raising grapes out of doors. I raise in my garden seven or eight varieties of grapes, and the fruit ripens out of doors.

Q. Where are you located?—At St. Paul.

Q. And I believe that the hardier varieties of grapes will ripen in Manitoba?—I think that there is no doubt of that, for the wild grape grows up there in the greatest abundance along the Red River Valley.

Q. It is a small grape, I suppose?—Yes; and that is an indication of what can be done. It takes about the same time to grow them.

Q. Yes; and they are very much hardier?—Yes; that is just the way we reasoned in Minnesota. It was said that we could not raise grapes, but it was found out that we can do, and now we do. And wild plums grow all the way down in that country in the greatest abundance; apples are now raised in Minnesota in great plenty and the only point is, that the orchards are yet quite young; it is only a few years ago since nobody would attempt to plant an apple tree there; many of the people said that they might as well put down orange, lemon, banana or pine apple trees.

Q. What does your Company pay for the fuel you use on the boats on the river?—We pay \$2.50 a cord.

Q. I suppose that large quantities of fuel can be obtained there?—Yes; for immediate requirements or what are likely to occur.

Q. You give \$2.50 a cord for wood?—Yes.

Q. It is cheaper than it is here?—Yes.

By Mr. Hagar:—

Q. Is it poplar wood?—It is white oak, and of good quality, and ash; the price of the softer woods, is \$2 a cord.

Q. Do you know whether water can be easily obtained at any distance over all Prairies?—Wherever I have been I have never known any difficulty at the experienced in getting it.

Q. It is obtained at a reasonable depth?—It is reached at quite a moderate depth; they use drilling wells almost universally. They just take a piece of pipe and drive it down into the ground; and that saves the trouble of digging, or anything of that kind.

By Mr. Bain:—

Q. They are not troubled with boulders in the bottom?—When we built our first steamboat we had to haul the sand thirty-two miles. The sand was used on the roof. From Abercrombie to where it was built, in the Red River valley—a distance of thirty-two miles—we had to bring the sand all that distance, and, under such circumstance, there would not be much trouble from boulders.

By Mr. Cockburn :—

Q. But if you built a low pressure steamboat you would not want any sand?—We could not use low pressure there at all; we have boats drawing less than eighteen inches of water.

By Mr. Hagar :—

Q. They are stern-wheelers, I suppose?—Yes; one sided wheelers. We could run propellers with a great deal less fuel. High pressure 'boats burn from fourteen to fifteen cords of wood a day.

Q. You said that there could be built barges that would carry from fifteen to twenty thousand bushels of wheat?—Not for that river. Barges could not be built to carry that quantity there. We have them now carrying 8,000 bushels on that river.

Q. And they do not draw over eighteen inches?—They draw three and one half feet loaded down.

Q. They could not navigate in all seasons?—They will navigate during the greater portion of the time. The water is higher in the spring than in the fall. They go up to, say Grand Falls. At times we only put on five; that would be drawing thirty inches—5,000 bushels, or 150 tons.

Q. Are there many shallow places in the river?—There are so many that it would cost a great deal to improve it or deepen it. The river is of very equal and uniform depth, except in places where it is wide, and wherever it is wide the volume of water being spread out, it becomes shallow.

By Mr. Chairman :—

Q. Except at the Goose Rapids?—We have it even deepened at the Goose Rapids by putting in wing-bands.

By Mr. Hagar :—

Q. You confine the volume of water?—This increases the current and we are able to do a good deal in that way.

By the Chairman :—

Q. What is the price of lumber at Pembina?—Well, the prices vary. Lumber, at the Junction west of Duluth, is worth about \$8 per thousand feet.

What kind of lumber is that?—It is pine.

By Mr. Hagar :—

Q. At what point is that?—It is west of Duluth, at the Northern Pacific Junction. Then it could be taken to the river, and it would cost at Winnipeg about \$16 or \$18 per thousand feet.

Q. That is for the run of the mill?—The run of the mill will cost from \$15 to \$16 a thousand, and the selections, throwing out portions of it, makes good flooring.

Q. It is good, sound, dressed lumber?—Yes. Take what is classed as fencing No. 1, it is equivalent to No. 2 flooring.

By the Chairman :—

Q. It could be purchased much cheaper if people would join in a company and build their own barge and get it down in that way?—Yes. Then it could be floated down, and this is just the time to do it. I have spoken of taking a car load of 5,000 or 6,000 feet at a time, or something like that. I think that lumber is sold at Winnipeg for somewhere between \$16 and \$20 per thousand feet.

*Mr. Bannatyne :—*The price is somewhere between \$17 and \$25 a thousand.

By Mr. Hagar :—

Q. What did you say was the distance by boat from where the immigrants strike your line to Winnipeg?—From Fisher's Landing, by the river, it is 250 miles; but it is easily passed over in a little less than forty-eight hours.

Q. And what distance is it, in a direct course, by land?—By land it would be about 180 miles.

Q. The river is very crooked?—It is two miles by river to one by land.

By the Chairman :—

Q. It is about 330 miles from Moorhead?—Yes; it is 337 miles, or thereabouts.

Q. Do roots grow very successfully there, such as potatoes, turnips and beets, &c.?—I do not know that there is any country that will surpass Manitoba for the growth of roots of all kinds—potatoes, turnips and beets especially. I think that potatoes do better there than in any other place that I have ever seen.

By Mr. Hagar :—

Q. There is the same soil here; and they say that potatoes are very hard and hollow in a soil like that?—When I first saw some of the large potatoes there, I did not know what they were. I saw them out West. They were dug up before they were ripe, and let lie in the sun. I did not know what they were. It was on account of their size, and they were turned a little in colour with the sun. I thought that they were some new root of a similar kind. There would be no difficulty in getting potatoes to grow there.

*Mr. Bannatyne :—*And they are solid; they are not hollow in the middle?

*Mr. Hill :—*I supposed, owing to their great size, that they were hollow and watery; but they are not. You will find that they are a nice, dry potato.

*Mr. Bannatyne :—*All over two and one-half pounds we keep for seed.

By the Chairman :—

Q. What is the general opinion of settlers with reference to the disappearance of grasshoppers?—When I first went to Minnesota the grasshoppers came in, that was in 1858. It was pretty well settled, and the people turned out and fought them. This was in the St. Cloud and Chalk Valley. They drove the grasshoppers away and they have not been back since. The western part of the State has been afflicted with them for a few years. They came into Blue Earth County, which is one of the most thickly settled counties, and there was a man there who did not want to lose his crop. He took some musquito netting and put it on a hoop and fastened it to the end of a stick, and began to catch grasshoppers in it.

Q. On the wing?—No, in the grass. They jumped into the hoop, and as it was successful he went to the county authorities and asked if they would give him one dollar a bushel as a bounty. The story got out and woke the farmers up. They

thought that it was the proper thing to do, and they caught thirty thousand bushels of grasshoppers in that county. The crop of the county was saved, absolutely saved. In the next county the people did nothing. The county authorities would not do anything in the matter. In Blue Earth County the statistics shew that the crop of that year was worth about seven hundred thousand dollars, and in the next county, Angelo County, where nothing was done, the crop was worth less than one hundred thousand dollars. It demonstrated this to our people, that grasshoppers can be caught and killed. They are not a new thing. We find them across the Mediterranean, in the south of France. In former years, when they came into this quarter, the people turned out and drove them into pits, and many of them were killed. They can be killed, and they will be killed as the country settles up.

Q. How do they destroy them?—They burn them or put them into ditches and burn them; they throw straw on them and burn them, and they are soon killed in that way. The present winter has destroyed, I think, almost all the grasshopper eggs in the North-West, being an open winter.

By Mr Hagar :—

Q. Have they been destroyed by the cold?—No; but by the openness of the winter. The weather was very warm in the month of February, and the grasshoppers deposit their eggs by instinct on the warm sunny side of knolls where the soil was warm.

By the Chairman :—

Q. Do they deposit them at any depth?—They place them at about three quarters of an inch, or an inch, down in the ground. The eggs are deposited in a little sack or cocoon; they are covered with the cocoon, which is made to deposit the eggs in. Early in the season we used to take some soil out along the line of the railway and hatch them, the hoppers hatched, there is no doubt about that, there they were in little bags covered with gloss, the warm weather came on, and in portions of Minnesota, in the Northern parts of the State, and in the Western part, the grasshoppers commenced to hatch out, and they were from one quarter to one-half of an inch long in February. They came out in large numbers in places where they were exposed to the rays of the sun. There were three weeks or a little more of that weather, and then it turned extremely cold again, and when we took the eggs in many cases and tried the same operation, putting them in a warm room where the sun would shine on them, they would not hatch. I have not seen any of them since hatched out, and if you take the little cocoons and put them close to your ear, and press them, they will pop like a rotten egg almost. They are offensive to the smell. The weather has destroyed them, because the heat has partially germinated the egg, they had started to hatch as it were, and then the cold came and destroyed life.

By Mr. Hagar :—

Q. Then there is a point and stage at which cold will destroy them. I was reading the other day, that it would not destroy the young hopper, if the eggs were frozen half a dozen times?—We have made the experiment; we were told that the young insect would live under such circumstances, and we made experiments. We heard all sorts of stories about grasshoppers living through frost, and we took some of the eggs and tried the experiment in St. Paul. We hatched them, they were put out for one night and frozen, and they were brought in in the morning, and we found that they never lived afterwards. In an extract from a newspaper shown me, it stated that grasshopper eggs were frozen solid, and then heated, and that they came to life; but I will just say regarding this extract, that our experience, where we have made these experiments, is exactly the opposite. It is not according to nature that any insect would live under those circumstances.

Mr. Hagar :--It does not look reasonable, I must confess, and that was the reason I asked you.

Mr. Hill :--There are many of these stories that will be told for the sake of a sensation.

Mr. Hagar :--I think that I have seen something like that before.

Mr. Hill :--It was so claimed in our State, and that is the reason why we made the experiments.

Q. You have actually verified it?--Yes; it was just such things as these, the writing of such articles as these that induced us to make the experiments, and when we tried it we found what I have stated. My observation applies to three or four, or to half a dozen cases. When the grasshoppers were once frozen they never came back to life. It would be a very unnatural thing if they did.

By the Chairman :--

Q. Do you consider that the climate out west is invigorating and healthy?--Yes; it is a particularly dry and favorable climate. There is no reason why it should not be as healthy a climate as there is in the world. I can tell just when I get north of the latitude of Milwaukee; I can as it were snuff the air. It has a different relish. The air is better. I think that it is a little more stimulating than it is elsewhere. A man will work with more vigour in it, but he may wear out sooner.

By Mr. Bannatyne :--

Q. In your place, St. Paul, is it not a place of very great resort for people affected with lung complaints?--Yes; many who went there within my recollection have been completely re-established in health. Take Dr. Day for instance: he has but one lung. He is postmaster there at the present time. He has but one lung, and he is as healthy a looking man as is to be seen in this room.

By the Chairman ;--

Q. Are the winters out there very severe?--The weather is cold, but you do not suffer so much from it on account of the absence of dampness and of winds.

Q. It is uniform?--Yes.

Q. Are there fish in abundance in that country?--Yes; there is no end to the fish in the North-West; the rivers are filled with them.

Q. What kind of fish have you?--You will find pike, sun-fish, perch, gold-eyes and white-fish; and in the lake water, any quantity of salmon and sturgeon. This is in the northern parts.

Q. If a new settler were to go into that country and raise a crop of roots, could he furnish his family with fish and potatoes at the outset with very little expense?--All the expense would consist in the purchase of a hook and line.

Q. And of seed potatoes?--Yes.

By Mr. Hagar :--

Q. This refers to the first year?

Mr. Hill :--In the winter time fish are to be found in pockets in the water, and you do not even have to wait to catch them with a bait; you can load a waggon with them. You can get all the fish you want for a cent or two cents a pound in our market.

Q. You have never been up the Saskatchewan, have you?---No. I have never been west of the Pembina Mountains.

Q. Is that country adapted for stock-raising?---I have been up in the months of December and January, and have seen the cattle running about at large. I came down seven years ago this month. I left Pembina on the 11th or 12th of April, and they were then engaged in ploughing; and John Dace went out---this was at the Pembina Mountains---and caught a poney on the prairie that had been running out there all winter, for me to ride down on to Moorehead or Fort Abercrombie. The poney was fat, though it had been running about all winter, and in good condition for the trip. I rode him, and I know it to be a fact.

By Mr. Hagar :---

Q. He was pretty shaggy, I fancy?---He was a hardy little fellow, and all right. He was in good condition for the trip to Yankton. This is a common thing; I have even done it myself when I used to keep horses; worked them during the whole of the summer, and in the fall of the year I let them go, and did not look for them again until the spring. But now, when so many people are coming in and taking up the land, it is different. This shows that the grasses are nourishing for the cattle and stock. Ponies and cattle can run out all winter on the prairie.

By Mr. Hagar :---

Q. Do the natural grasses dry up as it were in the fall?---I think that they are frozen up. The winter comes on very suddenly, and they are frozen and not dried up.

Q. That was the question I was going to ask. Why if they were dried up, there would not be much left in them but woody fibre?---I think that the season changes very quickly, and that the grasses are frozen with the juices in them.

*Mr. Chairman :---*We have obtained considerably more information from Mr. Hill than we anticipated. It is adapted for parties in this country and to be circulated amongst farmers. We have received a great deal of valuable and reliable information.

By Mr. Lowe :---

✓ Q. You have described a new patent and a new machine for catching grasshoppers?---Yes; in relation to that, I may say that our Legislature during the present winter has made preparations for the purpose of securing models for machines, devised for catching grasshoppers.

By the Chairman :---

Q. That is in Minnesota?---Yes, sir; in Minnesota, and they have adopted one which is very much in the form of an old-fashioned Dutch oven. It is made of a wire netting mounted on wheels, like a sulky-rig, or a horse-rig, with the exception that the horse is hitched behind it, and shoves it ahead of him; a little buoy is pinned at the bottom of it in order to agitate the grass as it passes along; and the grasshoppers if they hop ahead of it are caught again, while those that hop backwards are caught in this great wire box as it were; and when it is full, or full enough to have a comparatively heavy load, they just dump it. They take it to a ditch and empty it. The machine is managed in this way. I think that they make them twenty-two and twenty-four feet long. From your own experience with a mowing machine or a reaper, you could easily imagine how many acres a man or boy with one horse will go over with that machine in a single day.

By the Chairman:—

Q. How many acres in a day can be gone over with it, do you suppose?—Fifteen or twenty acres.

By Mr. Cockburn:—

Q. How do they destroy the grasshoppers in the ditch, when they get them there?—By fire or by water or they cover them up. Grasshoppers when they get in a muss in that way destroy one another.

By the Chairman:—

Q. They cannot get up out of the ditch?—No; the grasshopper is then without wings; he is nearly four or five weeks old and is very helpless; he cannot get out of a ditch sixteen or eighteen feet in depth at that stage.

By Mr. Bain:—

Q. I suppose the machines are more for use before the grasshoppers are well grown?—That is the idea; they use them on pastures and open ground.

By Mr. Hagar:—

Q. You could not use them on the crops?—You can before the crop is too long

By Mr. Lowe:—

Q. What percentage of the grasshoppers will the machines catch?—There are various estimates. It is said that they will take from three-quarters to nine-tenths of them; it first depends how closely a man works them. The machines are very expensive, they cost from \$30 to \$35 each; there is nothing of them but a little frame and a wire netting, and the axles and a place for the horses behind them.

Q. How do they act?—They go over the grasshoppers; the point is this: they very soon catch the grasshoppers and destroy them, and that was best demonstrated under our own eyesight in Blue Earth County. I mention the fact because I saw one or two at work, and they resembled a musquito netting placed on a hook.

Q. There is no theory in that case, it has been done?—Yes; and they saved their crops, and this was what encouraged the Legislature of the State to make preparations for a better way of catching them. These Western States which are interested in the matter held a convention last year, and four Governors met; the Governor of our State proposed it, and the four Governors met and agreed to take concerted action. They also decided to appoint a commission composed of the most eminent men in the States to take this matter under their charge during the coming season; and they have, in a neighbourly way, I see, included in their duties one of the Commissioners of the Northern boundary and the Boundary of Manitoba. They proposed to see what they could do over there. Dr. Adams, I think, is included in the commission.

Q. One man and a horse can go over fifteen acres a day and keep it a good deal under control?—Certainly.

By Mr. Hagar:—

Q. Do not grasshoppers go in swarms and clouds almost, and settle down on and destroy the crops in a day or two?—Yes.

*Mr. Bannatyne:—*That is when they first begin to fly.

*Mr. Hill:—*They came in this way when they first visited Blue Earth County, and when the people turned out to destroy them.

Mr. Hagar :—That is an important fact.

Mr. Hill :—They finished the grasshoppers as far as the county is concerned.

By Mr. Hagar :—

Q. I thought it was said that their ravages were so destructive that they destroyed the crops in a day or two.

Mr. Bain :—Thirty thousand bushels of them are a good deal to be taken in one county.

Mr. Chairman :—The potato bug does not trouble us in the least now.

Mr. Bain :—This is the case since each farmer has done his part.

Mr. Chairman :—One coating of Paris Green kills them.

MR. FULLER'S EVIDENCE.

TIMBER CAPABILITIES AND OBSERVATIONS OF COUNTRY ALONG THE LINE OF TELEGRAPH.

FRIDAY, 6th April, 1877.

Mr. FULLER appeared before the Committee.

By the Chairman :—

Q. What is your name?—Richard Fuller.

Q. Where do you reside?—I live principally in the City of Hamilton.

Q. Have you travelled much in the North-West Territory?—Yes.

Q. In what portion of the North-West have you been?—I have been at the Lake of the Woods, and as far west as Battleford, in the country north of the Saskatchewan.

Q. What were you engaged in out there?—For the last two years I have been engaged in building telegraphs for the Government.

Q. You have been building them to what point?—To Edmonton.

Q. You are a contractor?—Yes; I am a contractor for the construction of the Pacific Telegraph Line.

Q. You are building this telegraph line—from what point?—From Swan River to Edmonton.

Q. What distance is that?—It is about five hundred and seventeen or twenty miles.

Q. And being in that position you were under the necessity of travelling for a considerable distance on each side of the line of the route laid out for the telegraph?—I have travelled considerably in that region, though not so much on each side of the line, but I have passed over parts of it.

Q. Will you describe to the Committee the timber interests of that country; that portion of the North-West over which you have travelled?—The timber, of the kind

we call marketable timber, is not to be found on that route; you will find none there. I do not think there is any good timber between Fort Pelly and Edmonton, except a strip of about six miles in extent. I am informed that this strip continues in a north-west course for a very long distance. Good timber is found not far north of Edmonton, about sixty miles north of Carleton, and Battleford and these places.

Q. What description of timber is it?—It is composed of red and white pine.

Q. Does this exist to any large extent?—I am prepared to say that as soon as a railroad is opened from Rob Portage, I think I can guarantee to supply the country for twenty years with timber, and at a much less price than is given for lumber there now.

Q. Have you timber limits then there?—Yes.

Q. Are they of any great extent?—Yes; I have large limits at the Lake of the Woods.

Q. Have you developed them yet?—It is of no use to develop them until we can get the stuff to market. We will have no means of getting to the market until a railway is built over Rat Portage and to Red River. Of course we would then be prepared to fill orders now if the lumber could be taken over Rat Portage, or out of any point on the Lake of the Woods.

Q. Have you yourself or others in your employ made a general survey of the timber interests in that section?—I have been through a considerable portion of them myself.

Q. And there is a very large supply of valuable timber?—Yes; the supply is very large.

Q. And it is accessible to all settled portions of Manitoba if the construction of this road is completed?—After the construction of this road, these interests will be accessible to the North-West.

Q. And I infer, from your remarks, that after the road is completed, and the Pacific Railway runs from Rat Portage to Red River, building material will be very much reduced in price?—I am not prepared to say to what extent the price will then be reduced, because the element of carriage and the charge made by the railway for carrying it to market would affect that as you will perceive. I think, however, that if ordinary rates were charged on the railway, the price of lumber would be reduced four or five dollars a thousand feet. In this calculation allowance is made for the railroad charging three dollars a thousand for carrying it one hundred and ten miles.

Q. How much is that per thousand feet?—That would allow the railway \$3 a thousand for carrying it.

Q. And at what price could the lumber be delivered?—That would be twenty-four dollars a car; then on the creeks, on the east side of the Lake of the Woods, there is good timber: it is red and white pine. There is also a large amount of other timber, such as cedar.

Q. That is situated on the east side of the Lake of the Woods?—Yes.

Q. It is situated east and north of that place?—Yes; there is a large amount of poplar at that point. A great many of the islands situated in that neighborhood are covered with good timber; on the west side the country is not as well timbered.

It is principally found on the east and south side, as far as my own personal knowledge is concerned; I have been there. There are now no means of getting timber down the Rainy River very well on account of the rapids; these and the falls would destroy the timber.

Q. Are these the rapids at Manitou?—No; they are those on the Winnipeg River; but before that supply of timber can be got out, this road must be finished to Selkirk. As soon as we can get the road built as far as Selkirk, this lumber will be available for the north-west; this market will then be opened up.

Q. What distance is it from Rat Portage to the crossing at Red River?—I believe that it is about one hundred and twelve miles.

Q. The construction of the Canadian Pacific would destroy the American lumber trade?—Yes; Winnipeg and that portion of the country is thus supplied now.

Q. It all comes from the United States; from the State of Minnesota?—Yes.

Q. And after the construction of the Pacific Railway to Rat Portage, you think that the supplies of lumber will be furnished from the Lake of the Woods, and from that section of the country?—I am certain of it, if I possess the limits when that time arrives, I am certainly bound not to let American lumber come into that country because we can produce it more cheaply.

By Mr. Hagar :—

Q. Do you say so, owing to the quantities of timber that exist in our own territory out there?—It would hardly do for me to state what is on my own limits; but I think that I could guarantee to supply all the lumber which will likely be wanted in this western country for a great number of years.

Q. I suppose that there are others besides yourself who own timber limits out there; you do not monopolize the whole of it?—Messrs. McIlroy & Jarvis own other large limits.

Q. Are they all taken up?—I do not know what else there is except my own. I am speaking of what I know personally.

By the Chairman :—

Q. You have travelled on the line of the Pacific Railway?—I have not been all along it, but I have to Lake Manitoba and to Winnipeg. That is a good section of the country.

Q. But you have not been to the Narrows?—No; but I have gone from Winnipeg to Livingstone and Fort Pelly. Livingstone is the Government name for the place and Pelly is the common name of it. Swan River is another place where I have been.

Q. And how do you describe the country south of Lake Manitoba, and past the Portage?—That is all a good country. It is all valuable for settlement.

Q. Past Palestine?—Until you reach Livingstone; all except that which is at the foot of the mountains, is good land, as far as my observation goes. It is swampy on the south side of Lake Manitoba. As I passed over the country I found that it is very low, although it is very superior land.

Q. It is good for meadows?—Yes; and still it is excellent for settling upon and raising fine crops. It is very good land until we reach Livingstone.

Q. How do you describe the Duck Mountains? Is the land there arable?—I have not been on the Duck Mountains; we pass and leave them to the right. I have been from Swan River to Edmonton, where we are constructing the telegraph line.

Q. That is for a distance of five hundred miles?—It is a distance of a little over five hundred miles.

Q. How does that country from Pelly to Edmonton compare with the section east of Edmonton to Winnipeg, for fertility of soil?—Do you mean the country east of Livingstone?

Q. The section west of Livingstone to Edmonton: how does it compare with the country stretching from Pelly to Edmonton?—I cannot speak of anything on the railway line with authority. I can only speak of the route I have taken.

Q. What is the route that you have taken?—I have been for sixty-five miles up this line myself; but the country there is not as good as that which is east of it. There are good spots in it, however, and it is timbered considerably for the first hundred miles.

Q. What is the description of timber to be found there?—When we get about twelve miles out of Livingstone, we go through poplar.

Q. Is the poplar of any size?—It is valuable for railroading, for fencing, and for building log houses; then we reach a strip of good spruce.

By Mr. Hagar:—

Q. Does that timber grow to any size?—Yes. The Government put it all along the line, and used it at Fort Pelly; it makes very fine lumber. Then we pass on for twenty-seven miles, when we cross a prairie *probably* ten or twelve miles in width. Of course, I have not the records here, and I could not tell exactly without them. Then we pass through woods until we reach somewhere about one hundred miles.

Q. This is the same description of timber—it is composed of poplar and spruce?—It consists of poplar and of very little spruce. There is a small patch of spruce, but it is principally poplar. My men informed me that you can get the best land there. It is not a part of the country though that is suitable for being cut up into small farms. When we reach this point, to the north of the Alkali Plains, there is good land.

By Mr. Aylmer:—

Q. You have been all the way up here yourself, you say, and as far as Edmonton?—I have been all along the line.

Q. You might say just what you know about the country generally?—After we reach about one hundred miles west of Livingstone, we meet with a more open country. To the south of this it is a salt plain—what is called the Salt Plain. It is very good for grazing purposes; and on the north of this it is good farming land principally. As we cross the south branch of the Saskatchewan it is all good land to the northwards, between the two branches.

By Mr. Hagar:—

Q. You do not know how far this is the case though?—I know that it is the case from the railway line at least to the Saskatchewan, because I have crossed this part, and have learned it from the people who have settled in that country. After we leave the 100 miles, we meet with no timber, but a very small patch, until we have passed on and come to Eagle Hills, which are apparently well covered with bluffs of

poplar. In fact you can drive through them. It is broken up. I think there are ten or twelve large ravines which are met with in coming down from the mountains. It is somewhat troublesome to get along. I came along there and found the land good. The section of the country passed through from the time we reach Eagle Hills until we arrive at Battleford, and on the south side of the river, is sufficiently wooded for settlement purposes, except for making flooring and doors, and all these things.

Q. The timber is pine and poplar, chiefly?—Yes; it is principally poplar. It was very much burned last year. Hundreds of thousands of dollars worth were spoilt, I have no doubt; the timber was burnt for miles. As to Battleford, I can speak personally; I was there one summer myself. It is a very fine site for a town, though some people say that the land is light. My own opinion is, that the light lands are the best for settlement purposes out there, on account of the season being short, and you are almost certain that the crops will mature on them quicker than on land in the valley.

By the Chairman :—

Q. It is a warm soil, but not so durable as it is in the valleys, I suppose?—There is a sample of barley (sample produced), which I grew this year, and you cannot produce a sample of barley in all Canada equal to it. I sent that to the Department, and I have just now borrowed it. The prairie was broken for about two or three inches, and we began ploughing last year on the 17th April. The barley was sown about the 17th or 18th, or the 20th May; I commenced to reap it on the last of July.

By Mr. Hagar :—

Q. That was about ten weeks, then? This was the time in which the crops grew and matured?—Yes; I suppose that would be about it. There is no comparison between it and the barley here. My farmer reported it me when it was sown, but I know when it was commenced to be cut. I was not present at the sowing.

Q. What was the yield per acre?—It was twenty-five bushels. Of course it might have been a little more or a little less.

Q. That was raised on the light soil you speak of?—That is on what we call a light soil. I think it is preferable to the land in the valleys. A lighter soil is calculated to develop the crops earlier; and they are not liable to get caught with the frost. Owing to the fact that I was told that wheat would never ripen in that country, I sowed wheat, and the crop ripened beautifully, although I do not think that it would have ripened in the same time, if it had been sown in the valley.

Q. You do not think so?—No; my observation has been that frost is always severer on low land than on high land. People like to get heavy lands which are generally low lands. They prefer them for that reason, I suppose. This land I speak of might not be as lasting as the other, but I am satisfied that it would be more satisfactory in the long run. When you can have plenty of it, I would take a lighter soil. It is more easily worked.

Q. That is what we call sandy loam here?—Yes.

Q. Are there any vegetable deposits on it?—There is nothing on it but what has been left from the burnings of the prairies.

*A Member :—*Deposits are generally washed into these valleys.

By the Chairman :—

Q. Proceeding westward to Battleford, what do we find?—I am now speaking of the country west of Battleford, and I will have to speak from the reports of my

Superintendent of the Lines, after proceeding westward for thirty miles, they find an excellent farming country, both to the north and to the south. They reach woods several miles before they get to the longitude of Edmonton. The telegraph line is run about twenty miles south of Edmonton, where I left off. My foreman reports coming here into spruce. This section is full of timber, spruce. We went through it for some miles and we came among a great deal of spruce.

By Mr. White (Renfrew) :—

Q. Is the land of any account?—I have no doubt that this neighborhood will be settled in a very short time; there is already quite a settlement around Burnt Lake.

Q. What kind of settlers are they? Are they employés of the Hudson Bay Company?—No; there are Half-breeds, Canadians, Englishmen and Scotchmen, and all sorts of people in the settlement.

By a Member :—

Q. They chiefly come from the Hudson Bay Company's posts, do they not—the settlers down at the Mission?—No; they are principally men who have gone west; that is, with respect to the most recent settlers.

Q. Where is the section where you are building your telegraph line?

*Mr. Chairman :—*It runs from Livingstone, and extends to Fort Edmonton.

By Mr. White (Renfrew) :—

Q. What is the character of the country; is there much wood on it?—I have gone through the whole of that five hundred miles, and in it there is a little over two hundred miles of woods. But, of course, when speaking of the wood and timber in that country, it must not be taken that it is equal to the Canadian.

Q. It is of a different description?—Altogether.

Q. It is not of so thick a growth, I suppose; and the trees do not grow so big?—No; a great deal of misunderstanding is produced in speaking of the timber and woodland in that country. Its character is altogether different from that which we find here. In passing through this five hundred miles, we find two hundred and thirty or two hundred and forty miles of woods, but it is a different class of woods from that which is found here.

Q. Are the woods continuous, or do they grow in clumps? Do the trees grow in clumps, and are there spaces between them?—In parts this is the case. There are parts that we call bluffs; that is a patch of timber; they may be a mile or half a mile in extent.

Q. Without any timber?—There are miles, probably, without timber.

Q. And then there are clumps of timber?—Yes, the first hundred miles are almost continuously wooded, with some class or other of timber.

By Mr. Hagar :—

Q. What you call bluffs are not rising ground?—No; a bluff is merely a clump of timber.

By Mr. White (Renfrew) :—

Q. It is not raised ground?—No.

Q. It is all level ground?—There is no level country after [you get outside] of Manitoba.

Q. It is a rolling country, is it?—After you get eighteen or twenty miles west of Red River, you meet with no level country.

By Mr. Hagar :—

Q. It is rolling land?—Yes, the country then assumes altogether a different aspect. Instead of large areas of flat and level prairie, it becomes undulating, and continues so as far as my experience goes.

Q. Do you find the timber on the lower places, or on the higher parts of land?

*A Member :—*It is a matter of accident, I presume, that timber is to be found there; that is, where the fires have not been.

By Mr. White (Renfrew) :—

Q. It is of second growth?—Sometimes a fire will take place, for some reason or other, and probably it is intercepted by water or by winds; but there is no guide to go by. Generally speaking, you will always find timber on one side or the other of the water.

By Mr Hagar :—

Q. Do you fancy that if there had been no fires there, the whole country would have been wooded?—I fancy so.

Q. But the fires have kept the growth of the wood down?—I fancy that if it had not been for the fires, the whole country would have been wooded.

By the Chairman :—

Q. The timber there grows very rapidly?—Yes.

By Mr. White (Renfrew) :—

Q. Are these fires injurious to the present growth of timber out there?—Yes; undoubtedly the fires are very extensive. I met two ministers who had arrived within eight or ten miles of Battleford upon a Sunday; they preferred not to travel on Sunday and they accordingly stopped to cook their breakfast, and they set the prairie on fire and also the woods I had to go through; they could have saved all that by going to Battleford the night before. It is principally white people who do this, stopping on the prairies to cook their meals. I do not think that the Indians set fire to the prairies as much as has been represented. I think that this is done by reckless travellers.

*Mr. White (Renfrew) :—*That is the case on the Ottawa River; the Indians there very seldom start these fires.

*Witness :—*My observation has been that Indians are very careful in this respect. The Half-breeds, who travel in trains, and the white men, are very reckless; they think that it is the last time they will be over the route and that it does not matter. They do not care for any results that may happen if they can get safely through.

Q. Is the fire caused by the dryness of the prairie: does the grass catch fire on this account?—It is the grass, of course, that takes fire; but the fires as a usual thing do not take place much before the months of September or October.

Q. In the wooded part of the country, do the grasses grow amongst the woods—There is none, not where the timber is; there is hardly any part of the country which is timbered, where you will find it; there is likely to be considerable grass in the swamps; they produce a luxuriant crop of hay; that is my impression of the timber.

By Mr. Hagar :—

Q. What is the nature of the hay, is there anything in this part of the country which resembles it, especially the blue joint—you know what we call blue joint here—is the grass there similar to this?—They have the blue joint and red top grasses there.

Q. The red top is similar to ours, which grows on low ground?—Yes; it grows very luxuriantly in parts of the country; but, as a general rule, the prairie grass is not a thick grass; that on the ordinary dry prairie is short, but it is a very succulent and a very sweet grass.

By Mr. White (Renfrew) :—

Q. Are the grasses which grow in the swampy part of the country similar to the wild grasses of this Province?—I think that they are superior to what we have here.

Q. Because they are more succulent in their nature?—Yes; the grass we meet with, when we reach what is called the Buffalo country now, is a very short grass, and cattle always become improved by feeding on it.

Q. There is plenty of salt through that country?—There is plenty of alkali, but I do not know whether there is salt.

By Mr. Hagar :—

Q. But there are salt springs there, are there not?

*Mr. White (Renfrew) :—*They speak of salt springs as existing on the Peace River.

*Mr. Fuller :—*Salt does come from the Narrows between Lake Winnipegosis and Lake Manitoba. It is produced there.

By Mr. White (Renfrew) :—

Q. You speak of the buffalo country. I suppose that the buffalo naturally frequents the parts of the country where they can obtain salt?

*The Chairman :—*You find salt licks and alkali dotted over patches which are completely bare.

By Mr. Bain :—

Q. Are the alkali patches strongly impregnated with salt, or with something else?—It is destructive to horses, if they drink of this water. We are very careful not to allow horses or cattle to drink of it.

By Mr. Hagar :—

Q. Would they drink it?—Yes.

By Mr. Bain :—

Q. It must be different from a salty substance?—We never allow cattle to drink it if we can help it. We sometimes will permit it. If they only drink once or twice of it, it will not probably affect them much.

By Mr. White (Renfrew) :—

Q. Is there any vegetation in these regions?—Yes. If it is an alkali clay, it may be dried up more. You can see the effects of the alkali easier; there is no vegetation under it.

Q. It does not affect the surrounding country?—You could hardly tell an alkali plain from the outward appearances. Of course, in the fall of the year, when the small marshes and lakes are dried up, you can see it; but the grasses there are good.

Q. How far is Battleford from Winnipeg?—By the way we travel now, it is about six hundred and forty miles.

By Mr. White (Renfrew):—

Q. That is the seat of the Government for the North-West Territories, is it not?

*The Chairman:—*Yes.

By Mr. White (Renfrew):—

Q. Is that place situated on the Saskatchewan River?—Yes.

Q. Is that the point of junction of Battle River with the Saskatchewan?—Yes.

Q. Is Battle River navigable?—It is navigable very early in the spring. You could float timber, and such like, down it at almost any time; but it is not navigable for boats in the summer season.

Q. Is the Saskatchewan River navigable from Lake Winnipeg?—I should presume that the Saskatchewan River is navigable for the whole distance. I do not know that any one has forded it, or is able to ford it.

Q. For steamers, I mean?—Yes. From Lake Winnipeg to the Rocky Mountains, there is one break; there are rapids of about three miles in extent, and near Lake Winnipeg there are other.

Q. Are there no rapids beyond that?—There is one at Gold Falls.

Q. Can these rapids be overcome?—They do take steamers over them. The Hudson Bay Company's steamboats have run up as far as Edmonton.

Q. And they could run beyond that, I suppose?—It is represented that they could; but I do not know myself that this a fact. I know that they have gone up to Edmonton. I have no doubt that there is a channel in the river, but it will require experienced men who know the water, to make the passage. Of course, my idea as to securing the population of the country where homes can be found for many poor people, is, that you ought to give inducements to capitalists to go up there. It is a country of such a character that you can well afford to do it.

*Mr. White (Renfrew):—*It is for small capitalists to improve the country; the difficulty with large capitalists is that they hold the lands for the purposes of speculation.

*Mr. Fuller:—*I do not mean in that way; a certain portion of that country consists of good arable land, and this should be divided into small farms for poor men; but certain other portions ought to be laid out in large blocks, each twenty or thirty miles square, according to the means available for grazing. These lands are not likely to be required for settlement purposes for a great many years; they are well adapted for grazing purposes.

Q. They are well adapted for grazing purposes?—Yes; if taken in large areas.

Q. You are satisfied that it would be excellent for a sheep-raising country?—I think it would be excellent for raising cattle and horses.

Mr. Jones (Leeds):—I think it would not do for sheep; sheep want higher land.

Mr. Chairman:—And dry land, as well.

Mr. Fuller:—You see that there is a class of men out there who are well adapted for the purpose; this is owing to the peculiar population of the country; a great many people there prefer such a life, and they would make good drovers and good herdsmen.

Mr. White (Renfrew):—And they can ride well?—And they also know the country; in fact, they prefer that kind of life; and under the circumstances, with such a population, an enormous amount of stock could be raised, thus adding to the wealth of the country.

Q. Would any difficulty arise in defining the boundaries of these large tracts of land?—No.

Q. They could keep, for instance, say twenty square miles, or ten square miles, or one hundred square miles of land apart; I suppose that it would take large areas of that character to be of any service. A man wants to drive cattle over his land all summer, and he does not want, under such circumstances, to purchase hay to keep them in winter; I do not myself think that any difficulty would be experienced in defining the boundaries of such lands; it is done in Australia, and they must have some way of doing it.

Q. I wonder how they fix the boundaries and keep the cattle separate; in Texas, I think, they let them run altogether?

Mr. Chairman:—You will find in Scotland and in Wales that no difficulty is found in keeping the sheep; the shepherds will easily separate the flocks and take them to their own pasture fields; the dogs are trained to it.

By Mr. White (Renfrew):—

Q. Is it a fact that horses and cattle can live out on these plains during the winter time without being housed or fed?—I do not think that this could be done with oxen very well.

Q. What about horses?—Horses can so live; my horses do so; my own ponies were out on the plains all this winter.

By Mr. Cockburn:—

Q. Where do you reside now?—In Hamilton.

By Mr. Greenway:—

Q. Can you tell us what is the price of lumber at Winnipeg?—I never buy it, but I never saw any of it sold at a price less than twenty-five dollars a thousand feet.

By Mr. Hagar:—

Q. That is the retail price?—Yes.

By Mr. White (Renfrew):—

Q. This relates to the commoner kinds, does it not?—Yes; that is the price of common lumber. They could not afford to sell the whole of their lumber at that price. They would not make any money if they did.

Q. Are there any pine lands on the Upper Saskatchewan that could be made

available for the supply of that country with lumber, up towards the Rocky Mountains?—My information is that there is a supply of spruce above Edmonton.

Q. But there is no pine there?—There is good pine in that country, and also spruce. It is good hard pine.

Q. I suppose that the spruce is pretty large. There is some of this timber in the northern parts of the Province of Quebec, but there is none in this part of the country to speak of?—Probably I should not put it on the average, at more than twelve or fifteen inches in diameter. There is more small than large spruce in a patch, but you will find some of it much larger than that. It will run from ten to fifteen inches in diameter.

By Mr. Hagar :—

Q. That is across the stump?—Across the log. The top of the log would, of course, be small.

By Mr White (Renfrew) :—

Q. You speak of a good size tree?—Yes; spruce is found of pretty much the same diameter in the Province of Quebec; I have seen logs cut there which were ten inches and upwards in diameter.

By Mr. Hagar :—

Q. These trees must grow to considerable length?—None of the timber grows quite as large in that country as it does here. Take a pine tree there of the same diameter as one here, which would give you five logs, and it will not probably make more than four logs. That is taking trees of the same kind.

By Mr. White (Renfrew) :—

Q. You refer to trees of a similar size?—To trees of the same kind, or having the same diameter.

By the Chairman :—

Q. If it was properly guarded from fire, do you think that there is sufficient timber for the settlement of the whole of that section of the country?—In portions of it this is the case, but unfortunately in some places there is no timber for miles. Then you come again to other portions where there is more of it than is wanted.

*Mr. White (Renfrew) :—*I am afraid that the timber for building material would have to be taken principally from the western part of Lake Superior. I am told that there is a considerable tract of good pine in the country about there.

*Mr Fuller :—*You can get good timber in the country; but the timber which is to be used for doors and flooring, &c., of course, will have to be brought from the Lake of the Woods, or from this northern country.

Q. Is there any pine timber in that northern country?—There is spruce in it.

Q. What do they build their houses of there now?—They build them of poplar logs.

Q. Of poplar logs?—Yes.

Q. This wood must decay very rapidly?—I do not think that it decays so very fast. You will find houses out there which are very old.

Mr. Chairman :—They place uprights at the doors, and the logs only reach to them.

Mr. White (Renfrew) :—Is that the kind of material which is used in Manitoba?

Mr. Chairman :—Yes.

Mr. Fuller :—I think that by the time we have exhausted our own pine here, they may be able to grow it up there.

By Mr. Chairman :—

Q. Have you ever examined the section of the country north of Lake Winnipeg?—No; but I have had it examined.

Q. Is pine timber to be found there?—No. I think that there is only spruce and poplar.

By Mr. White (Renfrew) :—

Q. They could supply Manitoba with timber from there very easily?—Yes. The difficulty with us now is, that to bring timber from there would require a very great outlay of capital. A lock must be built, and the season of navigation is very short. You would also have to have first-class steamers to bring the lumber down. All this involves a large outlay, and the present consumption would not be sufficient to keep that capital employed. To make the plant pay, it would have to be employed night and day during the summer.

Q. Still, I imagine that a good strong tug would do a good deal of work?—Of course it would.

Q. And how far have you to take it?—To get it down represents a large outlay, and your machinery is only working for a certain portion of the year; and for the rest of the year it is laid up.

Q. You would have three, four or five months in which you could work, any way?—Yes; and any quantity of material. You could not expect to monopolize the whole of the market.

Q. There would also be a supply from Minnesota, I suppose?—As soon as the railway is opened no man can monopolize the market there, and the demand is still limited. If you produce an excess over the demand, the result would be that the timber would be practically worth nothing.

Q. Is the timber out there spruce or pine?—I do not think, or at least such is the information I have received, that you can find any pine there. The best information I have is, that there is no pine west of the Lake of the Woods. There are two small patches, however, I know, some few miles on the western side of it.

By Mr. Chairman :—

Q. Don't you find a large timber interest between the North-West Angle and Winnipeg? You have been all through that country over the old Dawson route?—I have been across that section. There is ample material there, I suppose, to produce ties and telegraph-poles, &c.

By the Chairman :—

Q. Have you noticed any deposits of coal between Battleford and Edmonton?—I am sorry that I have not my foreman's report with me, or I could have told you

where it was. He informs me that near Edmonton some of the telegraph poles stand in coal.

Q. Are you convinced that the coal is of any depth?—Of course, I could not tell that.

Q. Not being developed?—No; the telegraph poles are placed in the coal bed.

Q. The coal crops out?—No; but in digging down you strike it; the men had to dig in the coal and put in the posts. He informs me that about thirty-five miles east of that he struck another bed of coal about four feet deep.

Q. He found there a seam of coal four feet in depth?—Yes; that is the information he has given me; but, of course, no one can tell, as it never has been tested. The Government might send a geologist out to see and test the coal; but the year before last the Indians turned whites out very quickly who had gone out there; they would not allow them to see it. The treaty had not been made then.

By Mr. Jones (Leeds):—

Q. The Indians would not let them come in and open up the seams?—No.

By the Chairman:—

Q. You think that there will always be a sufficient supply of timber there for the use of settlers?—Of course that country is very large, and it will be a very long time before individuals will be able to expend money and pay freights there. I think that there are three classes of land there: what is suitable for fur-bearing purposes, what is suitable for stock raising, and what is suitable for ordinary farming purposes. I think if the whole country was divided into large limits which were given to good men in order to preserve the fur, and if good laws were made to protect them, it would keep up a means of support for the Indians and make the state of things better than it is now. That country can produce a very large amount of fur.

Q. Where was the specimen of barley which you have exhibited raised?—It was raised at Battleford.

By Dr. Orton:—

Q. Was that raised last year?—Yes; I sent a sample of it to the Department of the Interior, and a sample to the Department of Public Works. You have nothing like it I think, this year in Canada.

Q. That is very dark, it is very much damaged apparently?—There is one thing I might mention, I am keeping a record of the weather at Livingstone and Edmonton at each of these stations, and I can communicate it next year. Last year there were rains and a wet season in Manitoba, and the rains extended to my station, and up to what is called Big Stone Lake, about one hundred and thirty miles west of Livingstone; but the rains did not reach much west of that, beyond that the season was dry. The limit of the rains was very distinct and marked; before we reached that place it sometimes rained for hours and hours together, and for nights and days. There were very heavy storms, but it was dry to the westward of the point I have named. It may be quite different next year, as I said the limit of the rains was very distinct and marked. I only know that this is a fact—the rains reached that position.

By the Chairman:—

Q. Last year the season was bad and wet?—That accounts for the barley being so dark. Of course that is a new country and people out there have their difficulties like other people.

By Mr. Alymer :—

Q. Many people who are going into that section would like to know whether there are mills out there?—Yes; there is a mill.

Q. A flour mill?—It is both a flour and saw mill.

Q. Is that a good country for timothy, grass and clover?—I could not say that; I do not think that any of the artificial grasses are grown there.

By the Chairman :—

Q. Not to any extent?—No; in fact real farming has hardly commenced in that territory.

Q. Do you know of any mineral lands along the line of route you have passed over, further than the coal you have just described?—I am informed by my men that they have found iron, but I could not personally say that this is the case.

Q. Is it near any coal?—They are not a very long distance apart.

Q. It has not been developed yet?—No.

Q. And you do not know anything about it, of course?—No.

By Mr. White (Renfrew) :—

Q. Iron is found there in that vicinity?—Yes.

By the Chairman :—

Q. On the Saskatchewan?—Yes; but it will take a long time to develop it.

*Mr. White :—*This supply of iron will be a good thing for that country, if coal is situated in the vicinity of the iron. I do not see any reason why, if this be the case, that country could not be supplied with it from there.

*Mr. Chairman :—*If we had a deposit of coal within a few miles of this city, our iron would be valuable. That is the only drawback, as iron is of little value unless there is coal in the immediate locality.

*Mr. White :—*The ore in the county of Ottawa makes splendid iron; if we had coal there would be no difficulty in developing it.

COL. DENNIS' EVIDENCE.

THE LAND SYSTEM OF MANITOBA AND NORTH-WEST.

WEDNESDAY, 18th April, 1877.

Colonel DENNIS appeared before the Committee.

Q. Would you state your name and official position?—John Stoughton-Dennis, Surveyor General of Dominion Lands.

Q. Have you often been in Manitoba, and are you well acquainted with that Province?—Yes; I have visited the Province several times, and have a good knowledge of it.

Q. Would you be kind enough to give the Committee a synopsis of the Government policy respecting the sale and settlement of Dominion Lands?—The readiest way to do that, Mr. Chairman, would be to refer you to the synopsis as published in Spence's pamphlet on the North-West Territories, a copy of which I beg to hand you.

Q. It is not the Act itself?—No; it is the policy of the Dominion Lands condensed.

Q. Do you think it would be requisite to embody this with our report?—Decidedly so. I think it of much importance.

[The synopsis referred to follows Col. Dennis' evidence.]

Q. Would you describe the different kinds of scrip available for the purpose of acquiring Dominion Lands?—There are three kinds of scrip,

1. The certificates issued to soldiers for military services performed to the Dominion—in other words, Military Bounty Land Warrants.

2. Similar certificates are issued by the authority of law for services rendered to the Government in the North-West Mounted Police.

These two certificates, if located by the owner, may only be entered in quarter sections of land, 160 acres, intact.

A number of these warrants, however, may be acquired by any individual and may be used to pay for land in the same way as cash.

Both military and police warrants may be purchased and are assignable, and whoever holds them for the time being, under a proper form of assignment, can exercise full ownership over them, either in the locating or paying for land; but the first assignment from the soldier or policeman, as the case may be, must be endorsed on the back of the warrant.

No affidavit is necessary where the assignment is endorsed, but the execution of the assignment must be witnessed, either by a Commissioner for taking affidavits or by a Justice of the Peace.

Any subsequent assignment may be upon a separate paper, but must be regularly attested before a Commissioner, and accompany the warrant in its transmission to the Land Office.

3. The third kind of scrip is that issued to the half-breed heads of families and to old settlers in the Province, under recent Acts.

A claim against the Government for lands may, by law, be committed by an issue of scrip which would be in form similar to that issued to the Half-breed heads of families and old settlers before mentioned.

This scrip is a personalty, and there is no assignment thereof necessary to transfer the ownership. The bearer for the time being is held to be the owner, and we accept it in the Dominion Lands Office, in payment for Dominion lands, the same as cash.

Q. Are the Dominion lands situate in the Northwest?—Yes, Manitoba, Keewatin, and the North-West Territories.

Q. Do I understand you rightly when you state that in the transfer of a Military Bounty Land Warrant by the soldiers to another party, the assignment must be on the back of the warrant?—Yes; that is, the first transfer from the soldier or warrantee, himself; the assignment, in such case, only requiring to be witnessed by a Commissioner for taking affidavits or a Justice of the Peace. Any subsequent assignment, however, must be in proper legal form, and be attested before a Commissioner for taking affidavits.

Q. Is scrip available for the purchase of lands, part of the 1,400,000 acres of land set apart by law for Half-breed children in Manitoba?—It is not. The land set apart for Half-breeds, under the Manitoba Act, was an absolute grant to the children

of half-breed heads of families. The moment a patent issues to one of these Half-breeds, the land becomes his, or her, private property, to all intents and purposes, and, in case of a sale, the seller is not bound to take scrip, which is only redeemable in our own lands.

Q. Are there any fees chargeable for the issue of patents to the Half-breeds?—No; there are no fees charged for the issue of any patents for Dominion lands.

Q. Do you think that the retaining of these lands until the Half-breed minors arrive of age would have a tendency to retard settlement in the Province?—I do.

Q. Would it not be advisable to have trustees appointed, and to have the lands vested in them, so that they could dispose of the lands in the interests and for the benefit of the minors?—If such an arrangement could be made, I think it would be greatly to the advantage of the country generally, and I may say that in a majority of cases, it would also be to the advantage of the recipients themselves. There is a large area of magnificent land, which, unless some arrangements of the kind is made, will be locked up for years.

Q. Is it true, as reported, that the ingoing settlers have to go beyond these reserves in order to obtain lands for homesteads?—Yes.

Q. Have many patents been issued to the half-breeds for the lands within their reserves?—There are about 150 patents at the present time awaiting signature, but none have, as yet, issued. The first returns only came down about a week ago from the Winnipeg Lands Office. Probably none of these patents will issue until after the close of the present session of Parliament. The returns are now coming in rapidly, and the probability is that the whole of the patents for the claimants over eighteen will be issued within a few months hence.

Q. Can you form any idea of the number of these patents to be issued?—I should say that there will be in the vicinity of two thousand.

Q. Do you imagine that these parties, on receiving their patents, will readily dispose of the lands?—I think that of those Half-breeds over eighteen years who obtain their patents now, probably sixty per cent. have either already disposed of their claims, or will dispose of them on a suitable opportunity offering. Of those who have already sold their claims, many will carry out their agreements, and will complete the transfer of their lands to the purchasers at prices ranging from \$30 to \$80 for the grant of 240 acres. After the issue of the patents, those who wish to dispose of their lands will probably sell for from \$120 to \$200.

Q. Do you think that many of these claims have been disposed of conditionally?—I think very many have sold, accepting monies, and giving assignments.

Q. Are the assignments from minors considered legal—I mean those minors who have obtained their patents on arriving at the age of eighteen?—Purchasers must take their chances of that. I take it that the law of the Province would not recognize an assignment made by a person who may be under the full age of twenty-one years.

Q. What proportion of land is taken up, as compared with the whole area of the Province of Manitoba, and is the land remaining for sale and settlement as good in quality as that already appropriated?—I presume you refer to the extent of land that is at present tied up in the shape of reserves.

The railway belt, that is, the belt of twenty miles on each side of the line of the Canadian Pacific Railway, within the limits of the Province, comprises a very large extent of good land, but these lands, it is hoped, are only temporarily tied up. Of the 1,400,000 acres set apart for the Half-breeds, probably 1,200 of the allotments will come into the market within a year or two. The period for which the remainder of

the lands belonging to minors will be tied up will depend greatly upon whether steps be taken to appoint trustees who would be able to make sales, or upon such other measure as the Government might see fit to adopt, with the view of bringing these lands into the market.

The only other Reserves in the Province are those of the Mennonites, which are rapidly filling up. There is still a very considerable extent of excellent land in the Province now available for settlement, but it can easily be understood that people who have been going into the Province for the last four or five years have selected the most favourable locations, and, consequently, the most of the good land in those localities has been taken up. The lands remaining, although generally desirable, are not so conveniently situated.

Q. What is the total acreage of Manitoba?—The Province contains nearly nine millions of acres.

Q. How much land is contained in the Railway Reserve?—About 1,900,000 acres.

Q. How much land in the Mennonite townships?—About 500,000 acres.

Q. How much is taken up by the Hudson's Bay Company's one-twentieth?—About 430,000 acres.

Q. How much is granted for school purposes?—Two whole sections, or 1,280 acres, being sections 11 and 29 in each township, are, by law, dedicated throughout the whole North-West for educational purposes, and the grant amounts, in Manitoba, to 400,000 acres.

Q. In what part of Manitoba will be found the greatest quantity of land available for settlement?—Principally in the west and south-west.

Q. How many miles of railway have been located in the Province?—About 158 altogether; the main line of the Canada Pacific Railway about 77, and the Pembina Branch about 81 miles.

Q. In laying out the Province for settlement, have road allowances been set apart the same as in Ontario, or have no roads been left in accordance with the American system?—Road allowances are laid out on the ground in the townships in Manitoba which correspond to concessions and side roads in Ontario and Quebec. Each section or square mile there is surrounded by an avenue of 99 feet, or a chain and a half, in width, resulting in a magnificent dedication to the public for highways.

Q. How many townships are there in the Province?—About 360.

Q. What are the relative areas of Keewatin and Manitoba?—Keewatin comprises, in round figures, some 180,000 square miles; Manitoba about 14,000 square miles.

Q. Over what part of the North-West Territories does the Hudson's Bay Company's one-twentieth extend?—Over what is known as the "Fertile Belt," that is to say, bounded on the west by the Rocky Mountains, on the north by the North Saskatchewan, on the east by Lake Winnipeg and the Lake of the Woods, and on the south by the 49th parallel of north latitude or the international boundary.

Q. Are any of the lands fronting on the main river in Manitoba available for settlement?—None, with the exception of lands on the Assiniboine River, above Prairie Portage. As a rule, the lands on the Red River and Assiniboine River were laid out and settled upon, previous to the transfer, in narrow frontages, running back two miles, called the "Settlement Belt," and the township lands available for sale and settlement lie outside of this Belt. There are many unoccupied lots in the Settlement Belt, but people are not allowed to enter them, as they are considered to

possess a special value. The intention is, shortly, to offer the unoccupied lots belonging to the Government, in the Settlement Belt, at public auction, at an upset price, with conditions of actual settlement upon the land.

(Synopsis referred to in Colonel Dennis' Evidence.)

PROVISIONS RESPECTING DOMINION PUBLIC LANDS, HOMESTEAD RIGHTS, AND
FOREST TREE AGRICULTURE.

HOMESTEAD RIGHTS.

All persons interested in obtaining homestead grants or purchasing Dominion lands will give attention to the following provisions respecting the public lands of the Dominion:—

Unappropriated Dominion lands, the surveys of which have been duly made and confirmed, shall, except as otherwise hereinafter provided, be open for purchase at the rate of one dollar per acre; but no such purchase of more than a section, or six hundred and forty acres, shall be made by the same person, provided that whenever so ordered by the Minister of the Interior, such unoccupied lands as may be deemed by him expedient from time to time may be withdrawn from ordinary sale or settlement, and offered at public sale (of which sale due and sufficient notice will be given) at the upset price of one dollar per acre, and sold to the highest bidder.

Payment for lands purchased in the ordinary manner shall be made in cash, except in the case of payment by scrip or in military bounty warrants as provided by law.

Any person, male or female, who is the sole head of a family, or any male who has attained the age of eighteen years, shall be entitled to be entered for one quarter-section or a less quantity of unappropriated Dominion lands, for the purpose of receiving a homestead right in respect thereof.

The entry of a person for a homestead right shall entitle him to receive, at the same time therewith, an entry for any adjoining quarter section then unclaimed, and such entry shall entitle such person to take and hold possession of and cultivate such quarter-section in addition to his homestead, but not to cut wood thereon for sale or barter; and at the expiration of the period of three years, or upon the sooner obtaining a patent for the homestead, under the fifteenth sub-section of section thirty-three of the "Dominion Lands Act," shall entitle him to pre-emption of the said adjoining quarter-section at the Government price of one dollar per acre; but the right to claim such pre-emption shall cease and be forfeited, together with all improvements on the land, upon any forfeit of the homestead right under the Dominion Lands Act.

When two or more persons have settled on and seek to obtain a title to the same land, the homestead right shall be in him who made the first settlement.

Every person claiming a homestead right on surveyed land must, previously to settlement on such land, be duly entered thereof with the local agent within whose District such land may be situate; but in the case of a claim from actual settlement in then unsurveyed lands, the claimant must file such application within three months after due notice has been received at the Land Office of such land having been surveyed and the survey thereof confirmed; and proof of settlement and improvement shall be made to the Local Agent at the time of filing such application.

A person applying for leave to be entered for lands with a view of securing a homestead right therein, must make application to the Local Agent (Form B.), that he is over eighteen years of age, that he has not previously obtained a homestead under the provisions of the Dominion Lands Act; that the land in question belongs to the class open for homestead entry; that there is no person residing or having

improvements thereon; and that his application is made for his exclusive use and benefit and with the intention to reside upon and cultivate the said lands.

Upon making this affidavit and filing it with the Local Agent (and on payment to him of an office fee of ten dollars—for which he shall receive a receipt from the Agent) he shall be permitted to enter the land specified in the application.

No patent shall be granted for the land until the expiration of three years from the time of entering into possession of it except as hereinafter provided.

At the expiration of three years the settler or his widow, her heirs or devisees—or if the settler leaves no widow, his heirs or devisees—upon proof to the satisfaction of the Local Agent that he or his widow, or his or her representatives as aforesaid, or some of them, have (except in the case of entry upon contiguous lands as hereinbefore provided) resided upon and cultivated the land for the three years next after the filing of the affidavit for entry, or in the case of a settler on unsurveyed land, who may, upon the same being surveyed, have filed his application; as provided in sub-section five, upon proof as aforesaid, that he or his widow, or his or their representatives, as aforesaid, or some of them, have resided upon and cultivated the land for the three years next preceding the application for patent, shall be entitled to a patent for the land, provided such claimant is then a subject of Her Majesty by birth or naturalization.

Provided always, that the right of the claimant to obtain a patent under the said sub-section as amended shall be subject to the provisions of section fifteen herein lastly quoted.

Provided further, that in case of settlements being formed of immigrants in communities (such, for instance, as as those of Mennonites or Icelanders), the Minister of the Interior may vary or waive, in his discretion, the foregoing requirements as to residence and cultivation on each separate quarter-section entered as a homestead.

When both parents die, without having devised the land, and leaving a child or children under age, it shall be lawful for the executor (if any) of the last surviving parent, or the guardian or guardians of such child or children, with the approval of a Judge of a Superior Court of the Province or Territory in which the lands lie, to sell the lands for the benefit of the infant or infants, but for no other purpose; and the purchaser in such case shall receive a patent for the lands so purchased.

The title to lands shall remain in the Crown until the issue of the patent therefor; and such lands shall not be liable to be taken in execution before the issue of the patent.

In case it is proved to the satisfaction of the Minister of the Interior that the settler has voluntarily relinquished his claim, or has been absent from the land entered by him for more than *six months* in any one year without leave of absence from the Minister of the Interior, then the right to such land shall be liable to forfeiture, and may be cancelled by the said Minister; and the settler so relinquishing or abandoning his claim shall not be permitted to make more than a second entry.

Any person who has availed himself of the foregoing provisions may, before the expiration of the three years, obtain a patent for the land entered upon by him, including the wood lot, if any, appertaining to the same as hereinafter provided, on paying the Government price thereof, at the date of entry, and making proof of settlement and cultivation for not less than twelve months from the date of entry.

Proof of actual settlement and cultivation shall be made by affidavit of the claimant before the Local Agent, corroborated on oath by two credible witnesses.

The Minister of the Interior may at any time order an inspection of any homestead or homesteads in reference to which there may be reason to believe the foregoing provisions, as regards settlement and cultivation, have not been or are not being carried out, and may, on a report of the facts cancel the entry of such homestead or homesteads; and in the case of a cancelled homestead, with or without improvements thereon, the same shall not be considered as of right open for fresh entry, but may be held for sale of the land and of the improvements, or of the improvements thereon, in connection with a fresh homestead entry thereof, at the discretion of the Minister of the Interior.

All assignments and transfers of homestead rights before the issue of the patent shall be null and void, and shall be deemed evidence of abandonment of the right; and the person so assigning or transferring shall not be permitted to make a second entry.

Any person who may have obtained a homestead entry shall be considered, unless and until such entry be cancelled, as having an exclusive right to the land so entered as against any other person or persons whomsoever, and may bring and maintain action for trespass committed on the said land or any part thereof.

The provisions relating to homesteads shall only apply to agricultural lands; that is to say, they shall not be held to apply to lands set apart as timber limits, or as hay lands, or to lands valuable for stone or marble quarries, or to those having water-power thereon which may be useful for driving machinery.

Any homestead claimant who, previous to the issue of the patent, shall sell any of the timber on his claim or on the wood lot appertaining to his claim, to saw mill proprietors or to any other than settlers for their own private use, shall be guilty of trespass, and may be prosecuted therefor before a Justice of the Peace; and upon conviction thereof shall be subject to a fine or imprisonment, or both; and further, such person shall forfeit his claim absolutely.

If any person or persons undertake to settle any of the public lands of the Dominion free of expense to the Government, in the proportion of one family to each alternate quarter-section, or not less than sixty-four families in any one township, under the homestead provisions of the Act hereby amended, the Governor in Council may withdraw any such township from public sale and general settlement, and may, if he thinks proper, having reference to the settlement so affected and to the expense incurred by such person or persons in procuring the same, order the sale of any other and additional lands in such township to such person or persons, at a reduced price, and may make all necessary conditions and agreements for carrying the same into effect.

The expenses, or any part thereof, incurred by any person or persons, for the passage money or subsistence in bringing out an immigrant, or for aid in erecting buildings on the homestead, or in providing farm implements or seed for immigrants, may, if so agreed upon by the parties, be made a charge on the homestead of such immigrant; and in case of such immigrant attempting to evade such liability by obtaining a homestead entry outside of the land withdrawn under the provisions of the next preceding section, then and in such case the expense incurred on behalf of such immigrant as above, shall become a charge on the homestead so entered, which, with interest thereon, must be satisfied before a patent shall issue for the land; provided as follows:—

(a.) That the sum or sums charged for the passage money and subsistence of such immigrant shall not be in excess of the actual cost of the same as proved to the satisfaction of the Minister of the Interior;

(b.) That an acknowledgement by such immigrant of the debt so incurred shall have been filed in the Dominion Lands Office;

(c.) That in no case shall the charge for principal moneys advanced against such homestead exceed in amount the sum of two hundred dollars;

(d.) That no greater rate of interest than six per cent. per annum shall be charged on the debt so incurred by such immigrant.

FOREST TREE CULTURE.

Any person, male or female, being a subject of Her Majesty by birth or naturalization, and having attained the age of nineteen years, shall be entered for one quarter-section or less quantity of unappropriated Dominion lands as a claim for forest tree planting.

Application for such entry shall be made (Form F) for the purpose of cultivating forest trees thereon, and the applicant shall make an affidavit (Form G) that he or she is over eighteen years of age, that he or she has not previously obtained an

entry of land for forest tree culture, the extent of which, added to that now applied for, will exceed in all one hundred and sixty acres; that the land is open prairie and without timber, and is unoccupied and unclaimed and belongs to the class open for entry for tree culture; and that the application is made for his or her exclusive use and benefit.

The applicant shall pay at the time of applying, an office fee of ten dollars, for which he or she shall receive a receipt and also a certificate of entry, and shall thereupon be entitled to enter into possession of the land.

No patent shall issue for the land so entered until the expiration of six years from the date of entering into possession thereof, and any assignment of such land shall be null and void unless permission to make the same shall have been previously obtained from the Minister of the Interior.

At the expiration of six years the persons who obtained the entry, or if not living, his or her legal representative or assigns shall receive a patent for the land so entered on proof to the satisfaction of the Local Agent as follows:—

1. That eight acres of the land entered had been broken and prepared for tree planting within one year after entry, an equal quantity during the second year, and sixteen additional acres within the third year after such date.

2. That eight acres of the land entered had been planted with forest trees during the second year, an equal quantity during the third year, and sixteen additional acres within four years from the date of entry, the trees so planted being not less than twelve feet apart each way.

3. That the above area—that is to say, one-fifth of the land—has for the last two years of the term, been planted with timber, and that the latter has been regularly and well cultivated and protected from the time of planting; provided that in cases where the land entered is less in extent than one quarter-section, or one hundred and sixty acres, then the respective areas required to be broken and planted under this and the two next preceding subsections shall be proportionately less in extent.

If at any time within the period of six years as above, the claimant fails to do the breaking up or planting, or either, as required by this Act or any part thereof, or fails to cultivate, protect and keep in good condition such timber, then and upon such event the land entered shall be liable to forfeiture in the discretion of the Minister of the Interior, and may be dealt with in the same manner as homesteads which may have been cancelled for non-compliance with the law.

Provided that no person who may have obtained pre-emption entry of a quarter-section of land in addition to his homestead entry under the provisions of sub-section one of section thirty-three of the said "Dominion Lands Act," as amended by the Act of 1874 and this Act, shall have the right to enter a third quarter-section as a tree planting claim; but such person, if resident upon his homestead, may have the option of changing the pre-emption entry of the quarter section or of a less quantity of such quarter section for one under the foregoing provisions, and, on fulfilling the preliminary conditions as to affidavit and fee, may receive a certificate for such quarter-section or for such portion thereof as may have been embraced in the application, and thereupon the land included in such change of entry shall become subject in all respects to the provisions of this Act relating to tree-planting.

Any person who may have been entered for a tree planting claim under the foregoing provisions, and whose right may not have been forfeited for non-compliance with the provisions thereof, shall have the same rights of possession, and to eject trespassers from the land entered by him, as are given to persons on homesteads; and the title to land entered for a tree planting claim shall remain in the Government until the issue of a patent therefor, and such land shall not be liable to be taken in execution before the issue of the patent.

For further information apply to

DONALD CODD,
Agent of Dominion Lands, Winnipeg.

 LETTERS SUBMITTED TO THE COMMITTEE.

The following letters were received by the Committee and ordered to be embodied in the Report:—

THE ALGOMA DISTRICT, A FIELD FOR IMMIGRATION.

SAULT STE. MARIE,

DISTRICT OF ALGOMA, ONT.,

12th March, 1877.

SIR,—We beg respectfully to submit, for the information of your honourable Committee, a short statement showing some of the advantages and inducements the District of Algoma offers for settlement. We speak more particularly of that portion of the District immediately under our own observation, namely, the country lying between Batchewana Bay on Lake Superior, and the Bruce Mines on Lake Huron, leaving it to the residents of other portions to speak for themselves; they are best qualified to do so.

This part of Algoma is made up of rocky ranges (containing copper and iron ores, silver, lead, &c.,) alternating with agricultural lands. We will own that, taking out these mining ranges, bad swamps, and broken and stony sections, that not more than one-half of the unsold lands are likely to be settled at the present time; but in the future, when the large capital required to open up a mining country can be obtained, then every acre of difficult swamp, every acre of rugged, broken land, will be settled on, owing to the great advantage the cash markets of the mines will be to the settlers around them. There can be little or no doubt but this part of Algoma will eventually become a rich mining country. Enough is already known to fully support this assertion. Large quantities of copper ore and ingot copper have been shipped to England and the United States from the Bruce and Wellington mines. James Stobie, Esq., (an energetic, persevering explorer) is now opening an iron deposit about nine miles from the Bruce mines; and Colin Campbell, Esq., is working a silver lode about twelve miles from Sault Ste. Marie. Numerous other lodes are known, that remain untried, owing to the want of money, and at this present time it is impossible to induce the investment of money in mining enterprises.

The timber in this section consists of maple, black and white birch, oak, elm, cedar, pine, hemlock, tamarac, balsam, spruce, &c. The country is beautifully watered with rivers and streams, and contains numerous picturesque inland lakes. The rivers, lakes and larger streams abound with fish. A road from Sault Ste. Marie to Batchewana will, we have every reason to believe, be commenced during the coming summer. This road will enable intending settlers without difficulty to select their lands from the fine tracts through which said road will run.

Terms on which Lands can be Obtained.

Crown Lands in certain Townships can be taken as "Free Grants," with settlement duties; or can be purchased without settlement duties for \$1 per acre.

Crown Lands in other Townships (not "Free Grant,") land is 20c. per acre, with settlement duties; or \$1 per acre without settlement duties.

Mining locations on unsurveyed Crown tracts can be purchased for \$1 per acre, purchaser paying for survey. Indian Lands are 50 cents per acre in all townships except the Township of Laird, where the prices are \$1, 75 cts. and 50 cts. per acre. Mining locations on unsurveyed Indian lands are \$1.50 per acre, purchaser paying for survey.

The "Agricultural Society of the District of Algoma" was established in the year 1868. In this year \$250 were subscribed to enable the Society to draw the Government grant of \$700, and the first exhibition was held at Sault Ste. Marie, in a rented building, in October, 1868, at which exhibition premiums to the amount of \$247.50 were awarded.

During the year 1869 the Society purchased an acre of ground in the Town of

Sault Ste. Marie, on which they erected a spacious hall 60 feet by 60 feet, and in this hall was held the second exhibition in October, 1869, at which \$261.65 was paid in prizes for animals, grain, roots, dairy produce, ploughing matches, &c.

The Society continued improving, but although the number of members had greatly increased, still remained without branch societies until 1875, when the "Township of Howland Agricultural Society" was established on Manitoulin Island, and there are now three branch societies. The interest in agricultural matters and stock raising increases every day.

Since its establishment in 1868, our Society has held nine annual exhibitions, seven annual ploughing matches, three annual competitions for special prizes in wheat-growing, and has paid, since 1868, \$2,754 for prizes, acquiring also during that time property in lands buildings, &c., to the value of \$2,363, leaving a cash credit balance at this present time.

With regard to the capabilities of Algoma as a producing country, and its adaptability as a home for immigrants, we would state that wheat, oats, barley, buckwheat, &c., are most successfully grown, and that the root crops of Algoma cannot be surpassed by those of any other part of the Dominion (our potatoes are unequalled). This has been frequently assented to by practical agriculturists from Western Ontario, who had visited our exhibitions. As a grazing and stock-raising country, Algoma possesses a great advantage in having large tracts of unenclosed indigenous grasses, and many years of experience have shown that it would be difficult to beat us as a hay and pasture country. To speak of our wheat crops particularly—a subject which is generally interesting to every agriculturist—we would remark, that in every case which has come under the notice of the judges of this Society, during three years of actual inspection of growing crops, the decision has been to the effect that wheat can be grown here successfully; and now that we have flour mills, it will be grown on larger areas than in former years. In the eastern part of Algoma, Indian corn is one of the staple products.

That crops and stock can be raised remuneratively is proved by the fact, that every settler of industrious habits has prospered, even although, in some instances, labouring under the disadvantage of want of practical experience.

Throughout Algoma, all the smaller fruits, raspberries, strawberries, currants, gooseberries, plums, &c., are indigenous to the country, and the cultivated varieties thrive as well, and are as productive here as in any other part of the Province. Experiments with the apple and pear, in the section between Batchewana and Bruce Mines, have up to the present time been limited, but many results are most encouraging, particularly the experiments of Thomas McCulloch, Esq., J.P., Township of Korah, the Vice-President of this Society.

The district of Algoma, is, at many points, plentifully supplied with pine, and contains many first-class saw-mills.

We must not leave without some slight notice, the very valuable fisheries that extend along the whole coast line of Algoma, being a distance of some thirteen hundred miles, when including the coast lines of the islands of Manitoulin and St. Joseph, and Cockburn Island.

Algoma is very easy of access during the season of navigation, as first-class steamers ply between Collingwood, Owen Sound, Detroit, Windsor, Sarnia, Goderich, Kincardine, Port Elgin, Southampton; and from this part of the district we have frequent communication with Chicago, and more than daily opportunities of connecting (either by North or South Shore of Lake Superior) with the American Northern Pacific Railroad at Duluth. During the winter the trip from Sault Ste. Marie to Windsor, Ont., (*via* United States) is sometimes made in three days.

The Americans will soon be engaged completing railroad connection between Sault Ste. Marie, U.S., and the American Northern Pacific Railroad at Duluth; and we trust our Sault Ste. Marie will soon be connected with the Canadian railroads east. When this is done, a very moderately fast train will run from Sault Ste. Marie to Ottawa, in fourteen or fifteen hours; the greater portion of this line of connection has already been surveyed.

Mails from Sault Ste. Marie, from the East.

During season of navigation.....Eight per week.
do winter.....Three do *viá* United States.
do do *viá* N. shore of Lake Huron..Three per month.

We will close by saying that the climate of our section of the district of Algoma, is not so severe as it is at Montreal, and during the greater portion of January and February, the River St. Mary has been open, and the weather more like the early commencement of spring than the depth of winter—the healthiness of our climate is beyond dispute.

We remain, Sir,

Your obedient servants,
HENRY J. M. SIMPSON, J.P.,
President Algoma Agricultural Society.

C. J. BAMPTON,
Secretary Algoma Agricultural Society.

To JAMES TROW, Esq., M.P.,

Chairman of the Committee on Immigration and Colonization,
House of Commons, Ottawa.

MANITOULIN ISLAND, A FIELD FOR IMMIGRATION.

INDIAN OFFICE, MANITOWANING,
MANITOULIN ISLAND, March 10, 1877.

SIR,—In reply to your request that I would furnish you with some information about this island, its climate, productions and suitability for settlement, I beg to transmit you a short description which I have prepared with a view of its being of service to those seeking after land, and who may, perhaps, contemplates making their homes on this island.

A short sketch of its *early history* may not be out of place here, compiled from reports and records in this office.

The Manitoulin Island, formerly exclusively occupied by the Chippewa and Ottawa Indians, was, with many other islands in Lake Huron, surrendered by them in 1836, with the view of aiding the intention of Lieutenant-Governor Sir Francis Bondhead, who proposed to collect on the Manitoulin Island, not only the wandering bands of the north shore, but also the tribes settled in all parts of Upper Canada.

The scheme, however, was practically a failure, the only Indians who availed themselves of the offer being from the United States, and from the north shores of Lakes Superior and Huron.

In 1835 the number of Indians living on the island was 80; in 1837, 268; and in 1839 they numbered 822. The number now living on the island is 1,500.

In 1836 the buildings for the Indian establishment at Manitowaning were commenced, and in 1838 were occupied by the officer of the department. That year the first white men wintered upon the island.

In 1862 a treaty was made with the Indians, by which all that part of the island lying west of Manitowaning Bay was surrendered (with the exception of certain Indian reserves), the land to be sold for the benefit of the Indians. The land was placed in the market in 1866 at fifty cents per acre, but few settlers, however, located on the island, and in 1867, with a view to induce settlement, the price was reduced to twenty cents per acre, but was again advanced to fifty cents in 1870, at which price it has continued ever since.

Population.—At the close of the year 1876 the white population was estimated at 3,500, making the entire population of the island, including Indians, about 5,000.

Those settlers who have made this island their home and given its lands a fair trial are unanimous in their expressions of content and satisfaction, and the largely increased settlement that has taken place during the last three years is not owing to any efforts made by advertising or otherwise to bring the island into notice, but is mainly owing to the cheering accounts of prosperity and progress which have been transmitted by the settlers to old friends and former neighbours. This speaks volumes in favor of the island and the advantages it offers to those who desire to make a home for themselves and families within its borders.

Townships.—The surveyed townships are eleven in number, as follows:—Howland, Bidwell, Billings, Assiginack, Carnarvon, Allan, Tetikummah, Sandfield, Gordon, and Campbell.

Soil.—The land for sale in the surveyed townships, about 210,000 acres, may be classified as:—

Upland, which has usually a fine growth of maple, birch, elm, beech, basswood, oak, ironwood, pine, &c.; this land varies from sandy loam to stiff clay; it yields abundant crops and being easily cleared, is most in request by settlers. It may be remarked that much of the fertility of the land may be ascribed to the limestone formation of the island, the decomposition of which continually enriches the soil and renews its productiveness.

Burnt land has had the timber destroyed by the fires which have ravaged the island, and in many places the surface or vegetable soil has also been burned, leaving generally a rather stiff clay, which, when properly tilled, yields good crops. This land is easily brought into cultivation, requiring only to be logged and fenced, and for this reason is sometimes preferred by new settlers.

Swamp Land.—This is generally timbered with cedar, black ash, spruce, balsam, &c., and although more difficult to clear than upland, is considered by good judges to be the most valuable land on the island, and has proved, when brought into cultivation, exceedingly productive; it also withstands drought better than other land. There are numerous marshes or natural meadows of wild grass, which furnish many of the settlers with food for their stock.

Stony Land.—A large quantity of land must come under this classification, probably one-third of the entire surface of the surveyed townships, and is of but very little value, consisting of bare rock, or rock with but a trifling covering of soil, too shallow to be fit for cultivation.

Productions.—Wheat, both fall and spring, of excellent quality, is raised, and yields largely. The first prize for wheat at the District Agricultural Show, at Sault Ste. Marie, for 1876, was taken by this island.

Pease are also extensively cultivated, and yield abundantly, and are free from defects by being worm eaten; the sample raised on this island compares favourably with that grown on the main land.

Barley of excellent quality and bright colour is raised, and succeeds well.

Oats, buckwheat, &c., also do well, and yield abundantly.

Potatoes are extensively cultivated, and generally are of excellent quality. The potatoe bug not yet having effected a lodgment on the island.

Turnips succeed well, especially in bush land; the yield is enormous.

Beets and all garden vegetables do wonderfully well. Tomatoes and melons ripen in the open air. The exemption from summer frost being one of the marked features of the climate of the island.

Cattle and sheep roam at large, and find abundant and highly nutritious pasture on the burnt land, and in the fall are taken home in fine condition.

Fruits.—The island abounds with wild fruits, apples, plums, cherries, raspberries, strawberries, gooseberries, grapes, &c.; and, although the settlement has been so recent that but little grafted fruit has been planted sufficiently long to come into bearing, the young orchards have already a thrifty appearance, and promise well.

Sugar.—Large quantities of maple sugar are made annually by the Indians and

white settlers. Upwards of one hundred tons has frequently been exported in one season.

Price of Land and Conditions of Settlement.—The land is sold at fifty cents per acre, subject to actual settlement. The first instalment (twenty cents per acre), is payable at the time of purchase. The balance (thirty cents per acre), is payable in three yearly instalments, with six per cent. interest.

A patent for the land is issued to the settler without charge when the settlement duties have been performed. These require, residence on the land for three years; a substantial dwelling-house not less than 18 feet by 24 feet, to be built thereon; and five acres for each hundred purchased to be cleared, fenced and cultivated.

Climate.—The climate is healthy, pleasant and bracing, the summer heats being tempered by the breezes from the surrounding lake; while in winter the cold, although sometimes severe, is never intensely so; and the dry pleasant air and bright clear sunshine, render it more enjoyable, and far more healthy than the more changeable climate in the vicinity of Lake Ontario.

The only drawback of any importance to the enjoyment of the delightful summer weather, is the pest of black flies and mosquitoes, which, from the middle of May to the end of July, are exceedingly disagreeable to dwellers in the bush, and in the neighbourhood of swamps. As the country becomes cleared up, it is expected that this annoyance will rapidly decrease, and in a few years will have ceased to be troublesome.

Roads have been constructed at the expense of the Indian Department, between

Little Current and Sheguiandah.....	8 miles.
Sheguiandah and Manitowaning.....	15 “
Manitowaning to Michael's Bay.....	22 “
Michael's Bay to Providence Bay.....	10 “
Mudge Bay to Gore Bay.....	10 “

In addition to the above, many roads have been made by the settlers, especially in those townships where municipalities have been formed.

Mills.—The Island contains five Grist Mills, viz.: Sheguiandah, Sandfield, Providence Bay, Kagawong and Gore Bay.

There are also six Saw Mills in operation, at Michael's Bay, Providence Bay, Sandfield, Kagawong or Mudge Bay, Gore Bay and Little Current.

Churches:

At Little Current, 1 Episcopal, 1 Methodist.
 Sheguiandah, 1 Episcopal, 1 Methodist.
 Manitowaning, 1 Episcopal, 1 Methodist building.
 Gore Bay, 1 Presbyterian Church.
 Wikwemikong, 1 Roman Catholic.
 West Bay, 1 Roman Catholic.
 Sheslesqwaning, 1 Roman Catholic.
 Wikwanikonysing, 1 Roman Catholic.
 Alchitawaganing, 1 Roman Catholic.

Post Offices have been established at Manitowaning, Little Current, Sheguiandah, Michael's Bay, Providence Bay, Kagawong, Gore Bay, Telekummato and Hilly Grove.

Stores have been opened at Manitowaning, 3; Little Current, 4; Michael's Bay, 1; Providence Bay, 1; Kagawong, 1; Gore Bay, 2; West Bay, 1.

Agricultural Societies.—Two Township Agricultural Societies have been formed, viz: the Municipalities of Howland and Assiginack.

Communications.—The best way to reach the Island during the season of navigation is by the local steamers which leave Owen Sound and Collingwood twice a week. The steamers from those ports to Lake Superior call at Little Current only. Fifteen

hours after leaving Owen Sound or Collingwood, Manitowaning is reached, where the Land Office is situated. Maps of the surveyed townships can be examined, and lists of unsold land will be furnished upon application to the Indian Land Agent.

Trusting that the above may be of service to intending settlers,

I have the honour to be, Sir,
Your obedient servant,

JAS. C. PHIPP,

Indian Land Agent and Visiting Superintendent.

ST. JOSEPH ISLAND AND TOWNSHIPS OF PLUMMER.

BRUCE MINES, 21st March, 1877.

MY DEAR SIR,—As you are a member of the Committee on Emigration and Colonization, I feel much pleasure in laying before you the information required as Crown Land Agent for St. Joseph Island and the Townships of Plummer, both places situated near this place. I would first observe that this Island possesses all requests bestowed by nature for settlement, well watered with living springs, with a fine elevated scenery; it has been opened up as a "Free Grant" since 1871, and from that time to the present more or less have been settling thereon, so that I cannot say just now the exact number of inhabitants, as there were quite a lot before the "Free Grant" came into operation. The Island is about 30 miles long by 10 or 12 wide, more or less. It is expected quite a number will be up next summer seeking land; at the west end of the Island a municipality is formed with a post office, John Richards, Postmaster; on another part of the Island a school section has been formed, and a school-house erected, waiting until the navigation opened for a school teacher. As this Island is on the high way to Lake Superior, numerous steamers and vessels pass and repass more particularly on the south side. The land, taken as a general thing, is pretty fair, and, like all other immense tracts of land, good and bad may be found. The timber consists principally of maple, beech and cedar, a few pine may be seen sparsely scattered on the Island not of very good quality. The Government have granted a sum for making roads, and if a road should be made from one end of the Island to the other, and the old claims of 1856 wiped off, I have no doubt but in a few years this Island will form an important part of Algoma. The conditions of the Free Grants are very liberal for settlers; the head of a family with children under 18 years living with him, 200 acres are granted over that age 100 acres; it will be required of them to clear and have under cultivation two acres at least annually, to build a house 16 x 20 feet to live in, *i.e.* while you can have one as large as you like, this is the minimum; having continued improving, at the end of five years your patent issues for the same, and it thus become your *bona fide* property. Relative to the Township of Plummer, surveyed in 1873, embracing about 39,800 acres including water and patented mining locations, it is nearly all taken up, I am happy to say, by a better class of settlers; some of them, the greater part, from below, whose families were getting too large for their respective farms, came up hither determined to carve out a home in those new townships, bringing some capital with them; that and other townships are surveyed into lots of about 320 acres each; those applying for a "Free Grant" get the half of the lot, be it more or less, subject to same conditions. The timber in most abundance on those lands is maple, birch and hemlock, very few pine and no beech. To the extreme of the boundary of Plummer an iron mine patented is now working with a gang of about 30 men, and it is hoped next summer more extensive operations will be had. The copper mines at the Wellington still continue in the same state of suspense, and, it is hoped, when the manager Mr. Benjamin Plummer returns from Europe some arrangements may be made to resume operations. We have had during the past season nine different steam boats, two hailing from Collingwood, two from Windsor and three from Sarnia, all destined for Lake Superior. Two smaller steamers which hail from Owen Sound

and only go as far as Sault St. Marie; those little boats touch at Manitoulin, Byng Inlet, Thessalon and all other intermediate points. The distance from Collingwood to the Bruce Mines is, I suppose, 250 or 300 miles, more or less, and from Sarnia there is not much difference; I do not know the exact arrangements of those boats for the ensuing year, but heard that the Beatty and Windsor line had amalgamated. I always advise those who write up to me about land to come up and see for themselves, and let their eyes behold it and not anothers, and call at this office, and I always shall feel happy to give them every information that lays in my power which they may require on the subject.

I remain, my Dear Sir,
Your obedient humble servant,

(Signed), JOHN BOWKER,
*Crown Land Agent for St. Joseph Island and
Township of Plummer.*

E. B. BORRON, Esq., M.P.,
Ottawa.

CROWN LAND AGENCY, NEAR BRUCE MINES,

ALGOMA, March 22nd, 1877.

DEAR SIR,—In answer to your enquiry for information for the Committee on Immigration and Colonization of the 2nd inst., as to what I think of the prospects of this district as a farming locality. I think an unanswerable reply in its favour will be found in the fact of most of the land sold having been taken up by Ontario farmers, whose farms below having been found too small for their rising families, and rather than scatter them abroad have sold out, and moved either on to the Free Grant, Plummer Township or Rose and Lefroy. Although attention has only been directed to the locality less than two years, upwards of sixteen thousand acres have been taken up in the two last named townships.

As you are aware, the land along the lake shore does not present a very inviting appearance as a farming locality. Yet within one and a half or two miles of the shore there is as good land as need be seen, in fact; I think you could hardly select a half section (320 acres) that would not contain the making of a farm. What has held it back a good deal has been having no roads cut into the townships, but the Ontario Government gave us an instalment last year of four or five miles, and are going to extend it this summer. As you say you want this for the information of intending settlers, I may add that the Dominion Government surveyed a township on the Indian reservation, east of Lefroy, last fall; this, I presume, will be open for settlement this summer. There is also going to be more townships surveyed adjoining Rose and I believe west of Plummer this summer, not only finding work for those in need of it, but opening up some splendid land where squatters are already in, and an iron mine is being opened out by Mr. Stobie, employing about thirty men, so that on the whole I may safely say this locality has got a start that before long will assume greater proportions when better known. I am aware a misapprehension exists as to the capabilities of the climate, but anything that will grow east of us will prosper here, and any man who means business need not be afraid of suiting himself except he is too fastidious. I may add the land in Rose and Lefroy is twenty cents per acre cash down, subject to actual settlement, but what any other lands will be that may be brought into the market this or next summer I am unable to say.

Our woods are pretty well stocked with rabbits and partridge, and our rivers and lakes with fish, but the cariboo are keeping further north since the settlers have begun their chopping.

I am, Sir, truly yours,
(Signed)

JNO. F. DAY. C.L.A.

E. B. BORRON Esq., M.P.

INFORMATION FOR IMMIGRANTS.

ANSWERS TO QUESTIONS.

The following questions were prepared and circulated by the Committee in different parts of the Dominion :—

1. Please give your name, business, and full post office address.

[This question is especially intended for Immigrant settlers.]

2. If from the United Kingdom, please give the date of your settlement in Canada, and post office address before coming.

3. State your impressions from personal observation of the adaptability of your district for successful settlement, giving the area of your Township or district, its population, and its market facilities, either by rail, water or otherwise.

4. What time does the season usually open, so that ploughing and seeding can be carried on?

5. What kind of crops do you grow most extensively? State the usual yield per acre, and what roots and vegetables do you raise successfully.

6. Do you consider your district adapted for the raising of stock, and how many months in the year is it necessary to feed and keep stock under shelter?

7. What proportion of the district is timbered, and would you describe the various kinds, and to what extent lumbering is carried on?

8. Are the soil, climate, and other natural advantages conducive to successful farming, and what inducements are held out to tenant farmers and others of moderate means to procure partially improved farms, and can you cite any instance of individual success in this respect in your locality?

9. What amount of means, in your opinion, ought an immigrant to have for settlement in your district?

10. State generally any information of interest to intending immigrants, and state the difficulties they would be likely to meet with in settlement in your district?

11. What kind of fish are caught in the rivers and lakes in your district, and is there a plentiful supply?

12. Are there any minerals and mines in your district, and to what extent are they developed?

Answers to these questions were received from the following parties :—

ONTARIO.

COUNTY OF HASTINGS.

Name.	Occupation.	Post Office Address.
Ralph More Norman.....	Merchant and Farmer.....	Millbridge.
Patrick Nugent.....	Weaver and Farmer.....	Thanet.
Peter M. Gunter.....	Conveyancer, Reeve.....	St. Oia.
J. R. Tait.....	Crown Land Agent.....	L'Amable.
James Clarke.....	Grist and Saw Millowner.....	York River.
John Wilson.....	Division Court Clerk.....	L'Amable.
John Ray.....	Postmaster and Farmer.....	Glanmire.
William Lake.....	do do.....	Purdy.
Robert Carswell.....	Farmer.....	Maynooth.
J. W. Bennett.....	Merchant.....	do
Dermot Kavanagh.....	Storekeeper and Farmer, Reeve of Townships of Dungannon and Faraday.....	Umfraville.
Henry Bentley.....	Farmer.....	Bronson.
Alexander Menzie.....	do.....	Thanet.
J. R. Hamilton.....	Clerk of Carlow and Mayo Townships.....	Soulter.
W. D. Parkhurst.....	Farmer.....	do

PROVISIONAL COUNTY OF HALIBURTON.

Name.	Occupation.	Post Office Address.
James Langton	General Merchant and Farmer.....	Minden.]
Charles James Bloomfield.	Manager Canadian Land and Emigration Company.....	

COUNTY OF RENFREW.

William S. Coleman.....	Merchant.....	Forester's Falls.
Robert Coburn.....	Farmer	Pembroke.
A. T. Mansell.....	do and Deputy Reeve	Westmeath.
Thomas Culbertson.....	do	Douglas.
George Black	do	Fenelon Falls.
Theophile Bellefeuille	do	Petaawawa.
George Sparling.....	do	Stafford.

COUNTY OF PETERBOROUGH.

William Hartle	Farmer	Minden.]
----------------------	--------------	----------

COUNTY OF BRUCE.

James Allen	Farmer.....	Allenford.
Ludwick Spragg	do	Colpoys Bay.

COUNTY OF JOLIETTE.

Louis Levesque	Notary Public and Farmer.....	Ste. Melanie.
Josiah E. Page	Farmer and Agent	St. Felix de Valois.
Jean Louis Martel.....	Farmer and Blacksmith, Mayor.....	St. Alphonse.
Rev. Joseph Bonin	Curé.....	St. Emmelie de L'Energie.
Hugh Daly, J. P.	Farmer.....	Kildare.
Russell Woods, jun.	do	Rudstock.]
John Shields.....	do	St. Alphonse.
Louis Robitaille.....	do	St. Jean de Matha.
Hypolite Courellier.	do and Revenue Officer.....	Joliette.
Hilaire Nereux.....	do	St. Ambroise de Kildare.
Octave Gauthier, dit Fon- derville	do	St. Côme.

COUNTY OF ARGENTBUIL.

David Stamford.....	Farmer.....	Arundel.
William Munro.....	Postmaster and Farmer.....	Antoinette.
A. B. Fillion.....	Crown Land Agent.....	Grenville.
G. & R. Meikle.....	Merchant.....	Lachute.
John McCallum.....	Postmaster.....	Avoca.
Peter McArthur.....	Postmaster and merchant.....	Dalesville.

ELECTORAL DISTRICT OF MUSKOKA.

Name.	Occupation.	Post Office Address.
Alexander Begg	Millowner.....	Beggsboro.
Turner Koyl.....	Contractor.....	
James Sharpe.....	Inspector, Weights and Measures, and Emigrant Agent.....	Gravenhurst.
John S. Scarlett.....	Merchant.....	Huntsville.
John Doherty.....	Farmer.....	Uffington.
James Ashdown	Merchant and Postmaster.....	Ashdown
E. Siret.....	Farmer.....	do
Gordon M. Ewing.....	Reeve of Monck Township, Farmer.....	Ziska.
William Parker.....	do Stephenson do do	Utterson.
Aubrey White.....	Wood Ranger for Crown Lands Depart- ment.....	Bracebridge.
William Davidson.....	Farmer.....	Brackenrig.
Thomas Burgess.....	Saw Millowner.....	Bala.
James Tookey.....	Farmer.....	Bracebridge.
G. McEachern.....	Postmaster and Merchant.....	Spence.
W. H. Brown.....	Saw Millowner and Farmer.....	Baysville.
William Tait.....	Farmer.....	Bracebridge.
Benjamin H. Johnston.....	Postmaster and Farmer.....	Port Carling.
John Fluker.....	Farmer.....	Maganetawan.
William H. Brooks.....	do	Howsey's Rapids
S. G. Best.....	Crown Land Agent.....	Maganetawan.
Wm. Wilcock.....	Farmer.....	Fielding.
Joseph A. Lalor.....	Yeoman, Township Clerk and Treasurer.....	Aspdin.
Samuel & John Armstrong	General Merchants, Contractors, &c.....	
John Dobbin.....	Merchant	Bracebridge.
Hamilton Fraser.....	Postmaster and Farmer.....	Port Colborn.
Robert Ballantine.....	Miller	Grassmere.
Andrew Starrat.....	Farmer.....	Starrat.
John Beatty.....	do and Lumberer.....	Nipissingon.
R. N. Hill.....	do	Huntsville.
Henry Jarvis.....	Yeomen.....	Emberson.

COUNTY OF VICTORIA.

Malcolm McLaren.....	Hotel-keeper.....	Shedden.
John Fell.....	Farmer and Saw-millowner.....	Berry's Green.
Adam Hastings	Lumberer.....	Norland.
Alex. A. McLaughlin.....	.....	Shedden.
Albert Spring.....	Farmer.....	Muskoka Falls.
William Hovey.....	Farmer and Grocer.....	Rosedale.
Samuel Reagin, J. P.....	Farmer.....	Cambray.

COUNTY OF PERTH.

Robert Jones.....	Farmer.....	Mitchell.
John McDermott.....	do	Palmerston.
Ebenezer Rutherford.....	Merchant.....	Millbank.
A. E. Ford.....	Practising Physician.....	St. Mary's.
Richard Cleland.....	Farmer and Cheesemaker.....	Listowel.

COUNTY OF MONTCALM.

Name.	Occupation.	Post Office Address.
William Copping.....	Farmer.....	Rawdon.
Thomas McCarthy.....	do	St. Julienne.
Michael Green.....	do	Chertsey.
Marcel Lepine.....	do	do
John G. Copping.....	do	do

COUNTY OF CHAMPLAIN.

Pierre George Beaudry.....	Notary, Agent for Seigniories of Ste. Anne and St. Mathieu.....	St. Anne de La Parade.
Narcisse Houle.....	Farmer and Revenue Officer.....	St. Narcisse.

COUNTY OF MASKINONGE.

Wilbrod Ferron, M.D.....	Forest Overseer.....	St. Paulin.
Joseph, Julien, sen.....	Farmer and Mayor.....	do
J. M. Bayeur.....	otary.....	do

COUNTY OF OTTAWA.

John Little Aylwin.....	Farmer, Merchant and Postmaster.....	Aylwin.
Louis Duhamel, M.P.P.....	Doctor.....	Wright.
Joshua Ellard.....	Merchant.....	do

DISTRICT OF THREE RIVERS.

Pierre Neault.....	Farmer.....	St. Maience.
--------------------	-------------	--------------

PRINCE EDWARD ISLAND.

Name.	Occupation.	Post Office Address	County or District.
David Mutch.....	Farmer.....	South Rustico.....	Queen's.
Thomas M. Neill.....	Justice of Peace and Farmer.....	Alberton.....	Prince.
John McEachern.....	Farmer and Currier.....	Cherry Valley.....	Queen's.
William Brown.....	Esquire.....	New Glasgow.....	do
Alexander Smith.....	Farmer, &c.....	Lot 20.....	Prince.
James A. McKinnon.....	do.....	McDougald's.....	do
John McGregor.....	do.....	Southport.....	Queen's.
William Carroll.....	Miller.....	Carleton.....	Prince.
William Callaghan, J.P.....	Farmer.....	Miminegash.....	do
John S. Sutherland.....	do.....	Park Corner.....	Queen's.
Peter Doyle.....	do.....	Campbelltown.....	Lot 4.
John Doughort.....	do.....	Long River.....	Queen's.
Malcolm McPhail.....	do.....	Argyle Shore.....	do
Alexander Martin, J.P.....	do.....	Springton.....	Lot 67, Queen's.
John F. Murphy.....	do.....	Newton.....	Prince.
Reuben Tuplin.....	Merchant.....	Margate.....	do
Donald McKenzie.....	Farmer.....	Rose Valley.....	Queen's.
William C. Lea.....	do.....	Victoria.....	do
A. Robertson.....	Merchant.....	Bonshaw.....	do
John Beaton.....	Mill-owner, &c.....	Lot 6.....	Prince.
W. B. Hall.....	Farmer.....	Headingly.....	Selkirk.
Robert Morgan.....	do.....	do.....	do
Duncan Mackercher.....	do.....	Rosseau Crossing.....	Provencher.
Alexander Waddel.....	do.....	do.....	do
Daniel Harlow.....	do.....	do.....	do
W. Robertson.....	do.....	do.....	do
Alexander McLean.....	do.....	do.....	do
John Taylor, M.P.P.....	.....	Headingly.....	Selkirk.

ANSWERS TO QUESTION NO. 2.

Question 2.—If from the United Kingdom, please give the date of your settlement in Canada and Post Office address before coming?

ONTARIO.

County of Hastings.

Answers of Messrs.

Norman, July, 1857, British Army.
 Nugent, 1846, Keady, Ireland.
 Tait, 1851, Aberdeen, Scotland.
 Cleake, 1855, Liverpool, England.
 Willson, 1857, Wakefield, Yorkshire, England.
 Carswell, 1854, Paisley, Scotland.
 Bennett, 1867, Dublin, Ireland.
 Menzies, 1858, Scotland.

Electoral District of Muskoka.

Begg, 1846, Watten, Scotland.
 Scarlett, Londonderry, Ireland.
 Doherty, July, 1862, Donegal, Ireland.

Ashdown, 1851, Walworth Road, London, England.
 Sirett, 1860, Croughton, England.
 Ewing, 1855, Castle Fraser, Scotland.
 Parker, April, 1872, Amersham, England.
 White, April, 1862, Omagh, Ireland.
 Davidson, July, 1857, Keswick, England.
 Burgess, Merionetshire, Wales.
 Tooke, 1855, Kereton Holme, England.
 Tait, May, 1862, Lanarkshire, Scotland.
 Johnston, 1842, Rochfort Bridge, Ireland.
 Fluker, 1854, Dublin, Ireland.
 Brooks, 1837, Maidstone, England.
 Lalor, 1872, Carlow, Ireland.
 Lelcock, 1852, Whitley Bridge, Yorkshire, England.
 Duffin, 1872, Glasgow, Scotland.
 Ballantine, 1867, Glasgow, Scotland.
 Starrat, 1820, Ireland.
 McKenzie, 1855, Glasgow, Scotland.

County of Victoria.

Fell, 1854, Guysborough, England.
 Hastings, 1832, Tyrone, Ireland.
 Hoovey, 1832, Ireland.

County of Perth.

Jones, 1847, Dunlavin, Ireland.
 Cleland, 1859, Glasgow, Scotland.

County of Renfrew.

Coburn, 1831, Mohill, Ireland.
 Culbertson, 1833, Derry, Ireland.
 Black, 1834, Scotland.
 Bellefeuille, 1854, Ireland.
 Sparling, Limerick, Ireland.

QUEBEC.

County of Joliette.

Daly, 1822, Strabane, Ireland.

County of Argenteuil

McCallum, 1835, Isle of Mull, Scotland.

County of Montcalm.

Copping, 1817, London, England,
 McCarthy, 1820, Longford, Ireland.

County of Ottawa.

Aylwin, 1834, Killeshandra, Ireland.

PRINCE EDWARD ISLAND.

Brown, 1844, Carluke, Scotland.
 Sutherland, 1842, West May, Scotland.
 Doughort, 1824, Bannockburn, Scotland.
 Martin, 1859, Isle of Skye, Scotland.
 Tuplin, 1837, Devonshire, England.
 McKenzie, 1840, Isle of Skye, Scotland.

MANITOBA.

Hall, from Ontario.
 Morgan, Dunfermline, Scotland.
 MacKercher, from Ontario.
 Waddell, do do
 Harlow, do do
 Robertson, do do
 McLean, do do

ADAPTABILITY OF DISTRICTS FOR SETTLEMENT.

Question 3.—State your impressions, from personal observation, of the adaptability of your district for successful settlement, giving the area of your township or district, its population and its market facilities, either by rail, water or otherwise?

ONTARIO.

County of Hastings.

Answers of Messrs.

Norman—I consider the Township of Tudor favorable, generally speaking, for farming purposes; area 10 miles; market with lumbermen.

Nugent—This part of the country cannot be successfully settled without a railway; market with lumbermen.

Gunter—The Townships of Tudor, Wollaston, Limerick and Cashel are well adapted for farming; pop. 1,150; market with lumbermen.

Tait—The Townships under my charge are Dungannon, Faraday, Mayo, Carlow, Monteagle, Herschel, McClure, Wicklow and Bangor; pop., 700 families; capable of maintaining over 3,000 families; fifty per cent. of land suitable for tillage, and greater part of the balance well suited for meadow and pasture.

Cleake—The soil, being loamy, is well adapted for cultivation, and under proper management, with a due regard to rotation of crops and a liberal use of manures, I can say, from my own experience and the success of others who farm with care, that the yield per acre is an average remuneration. This district is formed of two Townships, Dungannon and Faraday, with an area of 10 miles square in each Township; pop., 750; about two-thirds of the land is available for settlement. The present market facilities are very limited, being merely derived from the lumbering business, so that the demand for produce is very unsteady and uncertain. There are no railway facilities within a distance of over fifty miles, and no water communication. The Colonization Road cannot be used for the transport of produce to the general market; no attempt has ever been made to make them permanently serviceable, although the Government annually grant large sums for repairs; the difficulty of transit has retarded the settlement of the country 1,000 per cent.; however, more settlers have come in within the last six months than for some years previously, on account of the prospects of the North Hastings Railway being extended to these Townships, the Government having guaranteed strong aid for that purpose.

Wilson—The two Townships, Dungannon and Faraday, are one municipality, having an area of 20 miles square, and a population of 150 families. Markets with the lumberers. Nearest front market at Belleville, 80 miles distant, reached by the Hastings Road.

Ray—There is considerable land in the two Townships of Tudor and Lake fit for farming or grazing, open to settlement; railway in course of construction.

Lake.—The township of Bangor has room for about 100 more settlers; population 200; market with lumbermen.

Carswell—In the townships of McClure, Wicklow, Herschel and Monteagle, there is considerable land not yet taken up. Population 600; markets with lumberers.

Bennett—The land in these townships is of excellent quality, well adapted for settlement either by men with large or small capital.

Kavanagh—Two-thirds of the land of the municipality of Dungannon and Faraday are fit for agricultural purposes; population 750. When lumbering is brisk, markets are good.

Bentley—The municipality of Dungannon and Faraday comprises about 160 square miles; population small; room for a large number; good colonization roads to the frontier; markets with lumberers.

Menzies—The soil and climate of the Township of Wollaston are good; area 10 miles square; population 450; markets with lumberers.

Hamilton—The two townships of Carlow and Mayo are well adapted for settlement; population 700; township capable of sustaining 2,000; market with lumberers.

Parkhurst—This Township of Carlow is well adapted for settlement; when the Belleville and North Hastings Railway is built, we will have every facility for marketing; market now with lumberers.

Electoral District of Muskoka.

Begg—The area of the Township of McMurrich is about 8 miles east and west by 10 miles north and south. Its settlement was only commenced in the winter of 1874-5; before that time it was a waste wilderness. Since then I have erected a saw, grist, and shingle mill in the Township. About 200 settlers have located, and are making improvements, whilst a number of lots have been applied for. The mills at Beggsboro are nearly 40 miles north of Bracebridge, from which a waggon road is open through to Maganetawan *via* Stisted Township.

Koyl—Spent the summer of 1875 in Muskoka, and consider it well adapted for successful settlement. Good water communication to Bracebridge.

Sharpe—With industry and perseverance a settler can do well on the lands in this district. Good market facilities by rail and water.

Scarlett—Am perfectly satisfied that this district will support a prosperous settlement of the agricultural class; we want no mechanics, unless they have some knowledge of chopping down trees. District about 60 miles square; railway within 35 miles; good water communication.

Doherty—The Township of Draper is best adapted for dairy farming; area 8 miles square; population 1,000; market facilities by Bracebridge and Gravenhurst Colonization Road.

Ashdown—The Township of Humphrey has a population of 300; 65 per cent. of the land fit for settlement; good water communication.

Sirett—I was one of the first settlers of this district, and from personal experience can state that this country offers considerable inducements to industrious and persevering men. Area, 81 square miles; population, 600; markets as yet local; in summer we are but one day's travel from Toronto.

Ewing—The area of the Township of Monch is 30,000 acres; population, 1,050; market facilities good by water and by rail to Gravenhurst, 25 miles distant. This is a rough, broken, beautiful, picturesque, delightful, sterling and grand country. In some places only one half of the land is fit for the plough, but the other half possesses good qualities for hay and timber growing, and makes fine pasture.

Parker—The Township of Stephenson is pretty well settled, still there is some very good land not yet taken up; there are over 200 voters assessed at \$200, and over, for real estate. The Northern Railway comes to Gravenhurst, about 23 miles distant, and steamboat to Bracebridge in summer. If the railway was pushed

through to Huntsville no immigrant agents would be required to represent this district.

White—I think this country well adapted for settlement. Muskoka means all the country north of Severn River and south of Lake Nipissing, and west of Bobcaygeon Road line; probably contains four millions of acres, 70 per cent. of which is fit for settlement; population, 15,000. The centre of district is one day's journey from Toronto by Northern Railway, good market afforded by lumbermen.

Davidson—This district is more adapted for stock raising, especially sheep raising, than grain growing. Area of the Township of Watt contains 48,856 acres, of which 60 per cent. is fit for cultivation; population in 1871, 711. Bracebridge, the chief market, is distant 15 miles by road and 24 miles by water.

Burgess—Industrious settlers may easily procure comfortable homes and good farms for themselves; home markets for everything raised; population about 600.

McMurray (Parry Sound District)—Sixty per cent. of the land in this district is fit for settlement; it embraces about forty townships; population 4,000.

Tookey—The Township of Macauley, containing good soil and being well watered, produces fine crops; some farms can be rented at a fair price; markets with lumberers.

McEachern (Parry Sound District)—The Townships of Spence, Ryerson, Chapman and Croft, are well adapted for settlement. Although there is considerable rocky land, there is a large quantity of good suitable land not yet taken up; markets local. Spence Township contains about 100 settlers.

Brown—The free grant Township of McLean has an area of 40,000 acres, and a population of 350. Local demands consume more than can be produced; railway 28 miles distant; Bracebridge, by water, 16½ miles.

Tait—About 60 per cent. of the Township of Macauley is fit for settlement, the most of it being taken up; area 16½ miles; population, including Bracebridge, 2,000; good market in Bracebridge; steamboat from Bracebridge to railway connection at Gravenhurst.

Johnston—The Township of Medora is nearly all settled, with the exception of a few lots well worth taking up. The adjoining Townships of Wood, Conger, and Humphrey contain unsettled land as good as those settled upon in this Township. Marketing all done by water from Port Carling to Bracebridge, a distance of 21 miles; from Port Carling to Port Cockburn, 21 miles; from Port Carling to Gravenhurst, 22 miles; and from Port Carling to Rosseau, 15 miles. All these places are easily reached by one of Captain Cockburn, M.P.'s, beautiful steamboats, at very low fare. Bracebridge and Gravenhurst are our main markets.

Fluker—The Township of Chapman is eight miles square; good for settlement; population between 1,000 and 1,500; good water communication by Rosseau Lake; good home market with lumbermen.

Brooks—The soil of Township of Ryde is well adapted for farming; area 36 square miles, population 100 families; at least 12 settlers arrived last season; roads are bad, but we have promises from the Government of their being improved. Gravenhurst 12 miles distant.

Best—Parry Sound District—The Townships of Spence, Monteith, Ryerson, Armour, Croft, Chapman, Strong, Fount, Machar, Pringle, Gurd, Patterson, Hims-worth, and Nipissing, containing from forty-five to fifty thousand acres each, are said to be considerably above the average quality, and in my opinion well suited for successful settlement. The population of some of these Townships, lying along the Nipissing Road from Rosseau, is at present from three to four hundred in each; quite a number of settlers have also gone in upon the lands in several of the new Townships lying to the north of Maganetawa. The increase of settlers generally causes a market for any surplus produce raised.

Wilcock—The Township of Foley has about 500 inhabitants; water facilities good.

Lalor—The Township of Stisted is well adapted for successful settlement, though more likely to become a pasturing than an agricultural district. The area of the

Township is about 8 x 8 miles; roads intersect one another at distances of $1\frac{1}{2}$ miles. The nearest market town is Bracebridge, 22 miles distant; good stores, however, are found all along the road. Flour mill about twelve miles distant; saw mills in the neighbourhood. Population of Township between 400 and 500.

Armstrong—The Township of McKellar is well adapted for settlement; we have taken off six crops, and all have been good. Area, nine miles square; population, 700; markets local, with new settlers and lumbermen; a good market is being opened up at Parry Sound, about 15 miles distant.

Dobbin—The Township Macaulay is very favourable for grazing purposes; area, eight miles square; population, including Bracebridge, 2,000; markets local and ready.

Fraser—One half of the Township of Humphrey is fit for cultivation and the other half is good grazing land; area of township, 10 miles square; population, 400; market facilities good, by water and rail to Toronto 150 miles; local markets at present.

Ballantine—The Township of Lincoln is about seven miles square; population, 150; no market except that caused by new settlers; land worth settling on when got free.

Sarrat—Well adapted for successful settlement; the Township of Ryerson is 9x12 miles; population, 500; market local as yet. The continuation of the railroad from Gravenhurst would greatly develope and aid in settling up this section of the country.

Beatty—Nipissing District—I believe this district will be a good agricultural one and well suited for settlement; markets so far have been local, but very good; hay bringing from \$35 to \$40 per ton, oats this present season sold from 80c. to 90c. per bushel; no railway facilities yet, but in summer there is good water communication *via* the Georgian Bay and French River; in winter we team from Lake Rosseau.

Hill—Franklin Township is well adapted for successful settlement and capable of affording a comfortable living to an industrious population; population about 200; market local; thirty miles from rail and water communication.

Jarvis—Any person commencing with sufficient funds on 200 acres should succeed; area of the Township of Brunel is 44,800 acres; good Government road to Gravenhurst.

McKenzie—The soil of the Township of McMurrich is over the maximum; area 70 miles square; population, 200; market local; Bracebridge, 36 miles distant, Rosseau $5\frac{1}{2}$ miles distant, and Toronto by water and rail 157 miles distant.

Ross—This township (Humphrey) is generally broken up with lakes and rocks; patches of good land around the lakes; railroad at Gravenhurst, 50 miles distant; Rosseau Lake, 8 miles distant, and Parry Sound, 20 miles; boats come to both places.

County of Victoria.

McLaren—Two-thirds of the land of the Township of Bexley is fit for settlement; population, 2,500; good market facilities by rail and water; good roads.

Tell—About one half the land of the Township of Somerville is adapted for farming purposes; wheat, barley, oats, peas and other grains grow well; the inferior land affords good pasturage; area 62,000 acres; Toronto and Nipissing Railroad and Victoria Railroad run through the township.

Staples—The Township of Bexley contains about 27,000 acres; population, 1,000; a large portion of the area is rock; market facilities good both by rail and water.

Hastings—The Township of Toxton, though nearly all settled, still offers inducements to intending settlers; good home markets, and there will be for years to come.

McLaughlin—In the Township of Somerville there is a large quantity of land fit for settlement and well adapted for stock raising; good marketing facilities by the Bobcaygeon, Cameron and Monck roads, and the Toronto & Nipissing and Victoria Railway.

Spring—The land of the three United Townships of Draper, Ryde and Oakley is good; population 1,000; by rail from Gravenhurst to Toronto, and by water from Gravenhurst to Bracebridge.

Hovey—Fenelon Township is not very well adapted for settlement, being stony; railway and water facilities for marketing.

Reagin—The County is peculiarly adapted for settlement; area 30 by 70 miles; population 30,000; facilities for marketing both by rail and water excellent; Midland, Nipissing and Victoria Railways run through the County.

County of Perth.

Jones—Good settlement; 52,000 acres; population 4,000; market facilities good.

McDermott—This district is admirably adapted for successful farming and is all settled; area of Township of Wallace, 50,000; population 2,600.

Rutherford—The Township of Mornington all settled; markets convenient; population 5,500; railway about 17 miles distant.

Ford—St. Mary's is a town of 5,000 inhabitants, and is a good market place.

Cleland—Area of Township of Wallace is 9 by 12 miles, 68,000 acres; population 4,000; chief market, Mitchell, 10 miles distant by rail; any industrious man can do well.

Provisional County of Haliburton.

Langton—The Township of Lutterworth, Anson and Hindon contain about 130,000 acres; population 1,500; men with small capital and industrious will certainly succeed. Farmers have been able, so far, to dispose of all their produce in the village of Minden at better prices than could be obtained in Toronto; communication by stage and water with Cobocok, the terminus of the Nipissing Railway, distance 24 miles; also by stage with Kinmount, the terminus of the Victoria Railway; distance 12 miles.

Blomfield—Am manager of the Canadian Land and Emigration Company. Company own nine townships in the Provisional County of Haliburton, formerly County of Peterborough, containing about 401,665 acres and 564,106 lots. The country is hilly, rocky in places and generally more or less stony; soil is chiefly a sandy loam with clay subsoil in places. A considerable settlement has been established by us in spite of the inaccessibility of the country until recently, by a liberal expenditure in roads and other improvements, and easy terms of payment allowed for lots taken up; settlers so far dependent on lumbermen for a market, but other markets are now being provided for by rail. The Victoria Railway is completed to Kinmount, and to secure its early extension to Haliburton we are paying about \$30,000 out of a \$55,000 bonus voted by section of Haliburton County, and agree to give \$3,000 a mile for every mile in our own territory, and will probably give further assistance.

County of Renfrew.

Coleman—This Township (Ross) is pretty well settled, all land fit for settlement being taken up; area, 10 miles square. Pembroke, the County Town and terminus of the Canada Central, is the chief market town.

Coburn—The Township of Pembroke is but a small gore; pop., 640. I know of no sober, industrious persons who did not succeed here. This township contains the County Town, Pembroke.

Mansell—The township of Westmeath is nearly all settled; area, 100 square miles; population, 2,500; good communication by rail and water.

Culberton—The Township of Bromley is all settled; area, 10 miles square; markets with lumbermen.

Black—The Township of Ross has an area of 75 square miles; pop., 400 rate-payers; market facilities good. Not much inducement to settlers.

Bellefeuille—Land too poor for successful settlement. Area of Township of Petewawa, 10 miles square; pop., 300; good market facilities.

County of Peterborough.

Hartle—The Township of Littleworth, containing about 3,000 acres, 66 per cent. of which is fit for settlement, is well adapted for successful farming; pop., 450. The Victoria Railway is within one mile of the township.

County of Bruce,

Allen—The Township of Amable contains 62,500 acres; pop., 2,500; market facilities good by rail and water.

Spragg—The Townships of Albemarle, Eastnor, Lindsay and St. Edmunds are only about 25 per cent. fit for settlement; pop. 900; nearest market Owen Sound, reached by water communication and by roads.

QUEBEC.

County of Joliette.

Levesque—The District of Joliette has a population of 50,000 souls. In the old parishes there is easy enough communication with the St. Lawrence. The roads are more difficult in the mountainous parts of the country, but practicable at all seasons. Country is good enough for industrious and steady emigrants.

Pagé—The District of Joliette, with great hardship and toil, might be settled with a good farming population; markets reached only by roads.

Martel—The Township of Cathcart offers great inducements to settlers; market 11 miles distant, over good roads.

Bonin—The Parish of Ste. Emmelie, situated in the northern part of the County of Joliette, possesses a good number of unoccupied lots which could be advantageously cleared. The extent of the parish is three leagues in width, with an unlimited length, as it is the last parish towards the north, excepting a small colony situate 10 leagues to the north-west, called St. Michel des Saints; pop., 88 families; nearest market at Joliette, 10 leagues distant; products usually sold to lumbermen and at Joliette.

Daly—The township of Kildare is four and a half miles wide by eleven miles long; settlers have very generally been successful; there is a good road through the district.

Woods—Not much improvement in land here; market twelve miles distant.

Shields—The Parish of St. Alphonse contains 300 families; 25 miles from railway; Joliette nearest market place.

Cornellier—In the parishes of Ste. Emelie de L'Energie, St. Côme, St. Jean de Matha and St. Beatrix, there are great facilities for colonization at distances varying from 15 to 30 miles from Joliette market, and from 60 to 75 miles from Montreal which are the largest markets accessible either by rail or water. The District of Joliette, is formed of three counties, viz., Joliette, Montcalm, and L'Assomption; population about 60,000.

Neveux—Considerable land here yet to be settled, but much of it is far removed from market and of little value.

Gauthier—The lumber business is a great assistance to settlement and to the clearing of land; area of township of Kildare eight by nine miles; population 700.

County of Argenteuil.

Stamforth—The township of Arundel is eight miles square, one half being mountains and lakes; population 360; nearest market is Grenville, on the Ottawa River, about 30 miles distant by colonization road.

Munro—This district is well adapted for settlement; population 300 or 400; produce sold mostly to lumbermen, there being no water or rail communication nearer than Grenville, 40 miles distant, which is reached by a good colonization road.

Filion—Very fine lands can be found along River Rouge and its tributaries, in the townships of Clyde, Ponsonby, Arundel, and DeSalaberry.

Meikles—The townships of Morin, Wentworth, Howard, Walf, DeSalaberry, Arundel, Montcalm, and Harrington lie immediately north of Lachute; about one-third of the land settled on; of the balance one-half is fit for settlement; country mountainous; main roads from different parts lead into Lachute, where there is railway connection with Montreal.

McCallum—The township of Grenville is very rugged; back townships settling up fast; the completion of the railway from Montreal will help this district greatly.

MacArthur—The township of Chatham is all taken up; other rear townships are only half settled; the land of this township is hilly and soil light; convenient to Montreal by rail.

County of Montcalm.

Copping—No wild lands here fit for settlement. Township of Rawdon 10 miles square; population 1,306.

McCarty—Consider this district of L'Assomption well adapted for settlement. Its limits are very extensive, and soil advantageous. Market at the *Chief-Lieu*, Joliette, over good roads.

Green—The Township of Chertsey contains about 100 families; market 32 miles distant.

Copping—Country backward; good water privileges.

County of Champlain.

Beandry—The population of the District of Three Rivers was 76,044 by the Census of 1871, and has since then increased. It is needless to dwell on the advantages afforded by water communication. There are numerous wharves at different points, where vessels of all sizes can load or discharge. The Grand Trunk Railway connects directly with Three Rivers, by means of the Arthabaska Branch. The North Shore Railway, now in course of construction, traverses three counties in our district, at a distance, at some points, of 7 or 8 miles from the uncleared lands. These means of communication afford great facilities for colonization; if completed for the benefit of future settlements by roads running from the St. Lawrence into the interior, particularly on the north side of the river, where a road from the Parish of St. Anne to the St. Maurice would, for two-thirds of its length (where the present road follows the St. Maurice from Three Rivers), pass through good lands, well timbered with every kind of hard-wood and soft-wood of large growth. Roads are the first condition for the success of settlement, and yet nothing is so much neglected. Though the Government rates contain amounts each year for the purpose, yet the advantages are nearly lost by reason of the money being badly spent, without control on the part of the authorities, and a distinction by dishonest persons, who favor their friends or their own interests.

County of Maskinonge.

Ferrow—In the Townships of De Calonne and Belleau there is some land fit for settlement; railway and River St. Lawrence are from 18 to 20 miles distant.

Julien—Land tolerably cheap; plenty of employment to be had at good wages.

The Parish of St. Paulin is four square leagues in extent; population 1,700; market, 10½ miles distant by waggon road. The adjoining townships, covering from 26 to 40 miles of country, are almost all bush; the land is good and can be bought for about 30 cents per acre.

Bayeur—The Parish of St. Pauline is four leagues in superficies; land is pretty cheap; back of us there are townships covering twelve to fifteen leagues of good lands fit for settlement; These lands can be bought for 30 cents per acre; on these lands there is also a large quantity of merchantable timber; market, 15 miles distant.

County of Ottawa.

Aylwin—The Township of Aylwin is nearly all settled, though there are still some lands in the hands of the Government. The country is very mountainous, but in the valley there is good land; roads are bad; population 500; produce sold to lumbermen.

Duhamel—Land for the most part is of good quality; being in the Laurentian range it is mountainous, but there are flats and gorges of very fertile land. The area of the district is 30 miles frontage, and extends 150 miles north; population, apart from Hull, 2,500; market with lumberers.

Ellard—The Township of Wright is especially adapted for successful settlement; the land is a good clay loam; township about ten miles square; plenty of unoccupied land in the district; markets local.

District of Three Rivers.

Neault—Our district affords inducements for settlement to those only who have the means of living for three years before calculating on the produce of their land, and who are strong, active, and accustomed to the labor of clearing.

PRINCE EDWARD ISLAND.

Mutch—Am favorably impressed with the adaptability of the Island for settlement.

McEachren—This is an old settled district (Cherry Valley), with an area of 20,000 acres, divided generally into farms of 50 and 100 acres each, and is all occupied; population 1,800.

McNeill—Soil well adapted for agricultural purposes; acreage of district (near Alberton), 20,000 acres; population, over 2,000; a railroad passes through the district; harbour convenient but not sufficiently deep to admit vessels of large draft.

Brown—Land is all taken in our township (New Glasgow); would not advise settlers to come here; three miles from shipping, and about the same from the railway station.

Breannon—Every chance to make settlement successful; the musile is mud on all quarters of it; markets by shipping, two miles; by rail, five miles; area of township (Lot 20), about 40 square miles.

McKinnon—One half of the district is under cultivation; population about 1,000; nearest general market from 15 to 20 miles distant.

McGregor—I do not know of 100 acres in this Township (No. 48) worth having; unsettled; area, 23,000 acres; population, 1,412; markets reached by water.

Callaghan—Area of district, 32 miles square; population, 2,000; railway runs through district; produce and cattle taken to market by water.

Sutherland—Township No. 20 all settled, area, 20,000 acres; markets reached by water.

Doyle—All arable lands in this Township (No. 4) are taken up by tenants; population, 1,000; market facilities not convenient.

Doughort—Area of Township No. 20, 20,000 acres; population, 1,000; market facilities good by rail and water.

McPhail—Any healthy, industrious person must succeed; area of Township No. 30, 20,000 acres; population from 1,000 to 1,500; markets convenient.

Martin—No unsettled lots in this Township (No. 67); area, 28,000 acres; population between 1,000 and 1,100; nearest seaport, nine miles; nearest railway station, four miles.

Murphy—This Township (No. 26) is all occupied; markets convenient.

Tuplin—Margate is an old settlement; area, 2,000 acres; population, 150; three miles from railroad station; two miles from navigable water; land of good quality, and all settled.

McKenzie—In Rose Valley there is a poor prospect for settlers; population, 350; from rail, distant three miles; from water, 10 miles.

Robertson—Lot 30 is nearly all settled; area, 20,000 acres; market about four miles distant.

Beaton—The Township No. 6 is well adapted for settlement; good, arable soil; market facilities good by rail and water; vacant land enough to settle from 100 to 150 families.

MANITOBA.

Hall, Headingly—Soil good, clay loam; 10 miles from Winnipeg by road; Assiniboine River runs through the centre of the parish, navigable by large steamers; population, 100 families.

Morgan, Headingly—Soil good, with a strong clay subsoil; 16 miles from Winnipeg; River Assiniboine flowing through district affords good water communication.

MacKercher, Rosseau—This district has almost every facility for immediate and successful settlement, being intersected by the Rosseau River and the Pembina Branch of the Canada Pacific Railway.

Waddell, Rosseau—This district possesses great advantages, and to intending settlers offers many inducements.

Harlow, Rosseau—Favourable; soil very rich, and drained by the Rosseau River; market facilities *via* Red River good during navigation; population, 150.

Robertson, Rosseau—A desirable locality to settle in; population, 100; market at Emerson eight miles distant; water communication with Winnipeg and Moorehead.

McLean, Rosseau—Soil very rich; circumstances favourable; population, 100.

Taylor—The Parish of Headingly is one of the best farming districts in the Province; area about four miles on each side of the River Assiniboine.

SEASON OF PLOUGHING AND SEEDING.

Question 4. What time does the season usually open, so that ploughing and seeding can be carried on?

ONTARIO.

County of Hastings.

Answers of Messrs.

Nugent, Tait and Ray—About middle of May.

Norman—Generally latter end of March.

Gunter, Bennett and Menzies—Latter end of April.

Wilson—Ploughing last week in April; sowing first week in May.

Clarke and Kavanagh—Generally in the month of April.

Lake, Carswell, Hamilton and Parkhurst—About the first of May.

Bentley—Generally from 1st to 10th May.

Electoral District of Muskoka.

Begg—About 1st May; the seasons vary a week or two, but the nature of the soil being porous enables seeding to commence early.

Koyle—About the 10th or 15th May.

McMurray, Sharp, Brown, Parker, Fluker, White, Ballantine, Best, Beatty and Hill—About 1st May.

McEachren, Scarlett and Sirett—Between the 15th and last of April.

Doherty, Tait and Wilcock—About middle of April.

Ashdown, Ewing, Brooks, Armstrongs and Davidson—From the last week in April to first week in May.

Burgess, Tookey, Fraser and Jarvis—Early in May.

Johnston and McKenzie—From middle of April to 1st of May.

Mr. Lalor—Seeding commences in May.

Dobbin—About 20th April.

Mr. Ross—Latter end of April.

County of Perth.

Jones—About the middle of April.

McDermott—From 1st to 15th April.

Rutherford—From the 20th April to the 20th May.

Ford—April sometimes latter part of March.

Cleland—From the middle of April to 1st May.

County of Victoria.

Staples—Latter part of April.

McLaren—In April.

Fell and Hastings—About the 20th of April.

McLoughlin and Hovey—About 1st of May.

Spring—About middle of April.

Reazin—From 20th April to 1st May.

Provisional County of Haliburton.

Langton—From 1st April to 15th May.

Bloomfield—Opens a fortnight later and closes ten days earlier than in Western Ontario.

County of Renfrew.

Coleman—From 1st to end of May.

Coburn—Latter part of April ; some springs, 1st May.

Mansell, Black and Sparling—20th April.

Culbertson and Bellefeuille—First week in May.

County of Peterborough.

Mr. Hartle—1st May.

County of Bruce.

Messrs. Allen and Spragg—The middle of April.

QUEBEC.

County of Joliette.

Mr. Levesque—Generally in May.

Messrs. Pagé, Bonin, Daly, Woods, Comellier and Neveux—About 1st May.

Messrs. Martel, Shields, Robitaille and Gauthier—About the middle of May.

County of Argenteuil.

Messrs. Stamfoth, G. R. Meikle and McCallum---About the 20th April.
 Mr. Munro---1st May.
 Messrs. Filion and MacArthur---From 15th April to 1st May.

County of Montcalm.

Messrs. Wm. Copping, McCarthy, Green and J. G. Copping---Between 1st and 10th May.

County of Champlain.

Mr. Beaudry---From 1st May to 10th June.
 Messrs. Houle and Lepine---First week in May.

County of Maskinonge.

Messrs. Hiron, Julien and Bayeur---From 1st to 15th May.

County of Ottawa.

Messrs. Aylwin and Ellard---From 1st to 10th May.
 Mr. Duhamel---Latter part of April and beginning of May.

District of Three Rivers.

Mr. Meault---1st May.

PRINCE EDWARD ISLAND.

Messrs. Meikle, McEachern, McKinnon, Carroll, Callaghan, Sutherland, Doyle, Doughort, McPhail, Murphy, Tuplin, Robertson and Beaton---About 1st May.
 Messrs. McNeil, Brown, Smith, McGregor and Lea---Last of April and beginning of May.
 Messrs. Martin and McKenzie---Second week in May.

MANITOBA.

Messrs. Hall and Morgan---20th April to 1st May.
 Messrs. Mackercher, Waddell, Harlow, Robertson and McLean--Middle of April.
 Mr. Taylor---First week in May.

KIND OF CROPS GROWN.

Question 5.--What kind of crops do you grow most extensively? State the usual yield per acre, and what roots and vegetables do you raise successfully.

ONTARIO.

County of Hastings.

Answers of Messrs.

Norman--Oats and peas; a fair average crop of all cereals; roots and vegetables do well, but not extensively grown.

Nugent--Oats yield from 25 to 30 bushels per acre; turnips, carrots, onions, cabbage, and, in fact, all kinds of roots.

Gunter--Oats yield 35 bushels; wheat, 25 bushels; peas, 20 bushels; and barley 40 bushels per acre; potatoes, 200 to 400 bushels, and turnips, 600 to 1,000 bushels per acre.

Tait—Oats average 20 to 40 bushels; spring wheat, 18 bushels; and fall wheat, 20 bushels per acre. All kinds of root crops successfully grown.

Cleake—Oats, very heavy crop, average, 40 bushels; and wheat, 20 to 30 bushels per acre. Wheat is of a good quality, yielding from 38 to 43 pounds of flour to the bushel. All roots and garden vegetables as well.

Wilson—Answer same as the last, with barley added 25 bushels per acre.

Ray—Answer same as last. Potatoes yield from 100 to 300 bushels per acre.

Lake—Wheat, 25 bushels per acre; oats, 50; barley, 45; potatoes, 200; and turnips, 300.

Carswell—Wheat, from 15 to 20 bushels; oats, 50 bushels per acre. Potatoes, turnips, cabbage and carrots grow well.

Bennett—Oats, wheat, barley and peas yield largely. All roots do well.

Kavanagh—Wheat, 18 to 25; oats, 30; peas, 20; potatoes, 200; rye, 20; barley, 30 bushels per acre.

Bentley—Oats, 25 bushels per acre; hay, 1½ tons. Potatoes succeed.

Menzies—Oats, 20 bushels; peas, 15 bushels; potatoes, 100 bushels per acre.

Hamilton—Oats, 40 bushels per acre; peas, 30; wheat, 25; barley, 40; potatoes, 250; turnips, 300.

Parkhurst—Wheat, 30 bushels per acre; oats, 50; potatoes, 300; barley, 45 peas, 35.

Electoral District of Muskoka.

Begg—All sorts of root crops and culinary vegetables thrive and are grown plentifully.

Koyl—Wheat, 20 bushels per acre; oats, 30; potatoes, 200.

Sharpe—Oats and hay, with all kinds of root crops grow abundantly.

Scarlett—Oats being most in demand, is grown most extensively—average yield, 25 to 40 bushels per acre. Corn grows to perfection. All vegetables do well.

Doherty—Oats and peas yield 25 to 40 bushels per acre.

Ashdown—Potatoes, hay, oats, barley and some wheat.

Sirett—Hay and oats are the principal crops; oats yield 30 bushels; peas, 20; wheat, 15; hay, 2,500 lbs. per acre. All kinds of vegetables grown.

Ewing—Spring wheat yields 12 bushels; oats, 25; peas, 18; barley, 20 per acre. Potatoes and turnips are good crops.

Parker—Oats, peas and barley, average from 30 to 40 bushels per acre, on new land. Timothy and clover are heavy crops. Roots cannot be excelled.

White—Oats, 35 bushels; and wheat, 20 bushels to the acre. All kinds of roots and vegetables.

Davidson—Wheat, 20 bushels; oats, 30 bushels; peas, from 25 to 30 bushels; rye, 25 bushels; barley, from 20 to 25 bushels per acre. All root crops do well.

Burgess—Grains and roots do well.

McMurray & Fookey—Same answer.

McEachern—Oats, 50 bushels; peas, 30 bushels; potatoes, 200 bushels; hay, 1½ tons per acre. Wheat hitherto not much grown, yield last season 20 bushels per acre.

Brown—Oats, spring wheat, peas and Indian corn. Hay is in good demand for lumbermen.

Tait—Peas, oats, barley, corn and hay. All roots and vegetables do well. Oats average 20 bushels per acre.

Johnston—Wheat yields 15 to 20 bushels; oats, 30 to 40 bushels; peas, 20 to 30 bushels; hay, 2 to 2½ tons; potatoes, 200 to 250 bushels per acre. All roots grow splendidly.

Fluker—Same answer, with rye 30 bushels, and barley 40 bushels per acre.

Brooks—Hay, oats and peas; wheat risky; potatoes and turnips yield remarkably. From about two acres of hops last year, I raised \$600 worth.

Best—Oats, peas, barley and hay are grown most extensively, yielding large crops of excellent quality. Roots and garden vegetables of all kinds do remarkably well.

Wilcock—Hay, oats and roots.

Lalor—All kinds of cereals and garden fruits can be grown to perfection. Turnips weigh 7, 9, 11 and 16 lbs. each. Potatoes, if the beetle does not destroy them, are as fine as any in the world. Barley yields 20 bushels to the acre.

Armstrong—Wheat (spring), 20 bushels; oats, 45 bushels; barley, 40 bushels per acre; all cereals grow and yield well.

Dobbin—Same answer.

Fraser—Corn, oats, peas, barley, rye and wheat can be raised successfully. Roots of all kinds.

Ballantine—Wheat is grown successfully; oats excellent. Have raised 80 bushels from 3½ bushels of potatoes; have had turnips in light soil, weighing 16 lbs.

Starrat—Any kind of roots or grain can be grown with average yield.

Beatty—Wheat, potatoes, beans, onions, carrots, manglewurtzle, &c.

Hill—Wheat, 15 to 30 bushels; oats, 30 bushels; barley, 25 bushels; peas, 25 bushels; maize, 30 bushels per acre. Potatoes excel in quality, and yield from 100 to 200 bushels per acre. Oats have yielded 70 and 100 bushels per acre.

Jarvis—Hay, oats, peas, barley and corn are grown most extensively, yielding generally above an Ontario average. Corn is a precarious crop. Hardy vegetables do well.

McKenzie—Oats, peas, barley and spring wheat average about 20 to 25 bushels per acre. All kinds of roots and vegetables with the greatest success.

Ross—Wheat, 12 to 15 bushels; oats, 30 to 40, and peas, 15 to 20 per acre. Potatoes and turnips do well.

County of Victoria.

McLaren—Fall wheat, 20 bushels; spring, 18; oats, 30 to 40; barley, 40 to 50; peas, 18 to 20; potatoes, 180 to 200 per acre. All roots grow well.

Fell—Same answer, with barley at 30 bushels; peas, 20 bushels, and turnips, 800 bushels to the acre.

Staples—Wheat, oats, peas and barley. Wheat yields from 5 to 30 bushels per acre. Potatoes and turnips.

Hastings—All grains and vegetables as good as can be raised in Canada.

McLaughlin—Wheat, 15 to 20 bushels; oats, 30 to 40; peas, 20 to 25; barley, 25 to 30 per acre; hay, 1½ tons. We grow first quality of potatoes and turnips.

Spring—Same answer.

Hovey—Barley, oats and fall wheat. The latter is most extensively grown, yielding 20 bushels to the acre. Very few roots or vegetables.

Reagin—Wheat, 20 bushels; barley, 28 bushels, and oats 45 bushels per acre and upwards. Roots and vegetables of all sorts.

County of Perth.

Jones—Wheat, oats, barley and peas, from 20 to 30 bushels per acre. Carrots and turnips raised successfully.

McDermott—Wheat, 20 bushels, oats, 40 bushels; peas, 25 bushels per acre.

Rutherford—Wheat, 20 bushels; oats, 50 bushels; peas, 40 bushels per acre. Potatoes, cabbage, beets and turnips.

Ford—All cereal grains and almost every edible root and vegetable.

Cleland—Wheat, 20 bushels; oats, 40; peas, 30; and barley, 30; are the average per acre; all roots and vegetables.

Provisional County of Haliburton.

Langton—Oats, 25 to 50 bushels; and hay two tons per acre; these are the principal crops to supply lumbermen. All roots and vegetables.

Blomfield—Wheat, oats, barley, &c., and some Indian corn. All kinds of roots raised successfully.

County of Renfrew.

Coleman—Wheat, 15 to 20 bushels; oats, 30 bushels; hay, one and a half tons to the acre. All roots.

Coburn—Wheat, 25 to 40 bushels; oats, rye and barley, 40 bushels per acre. All roots do well.

Mansell—Hay, three-fourths ton; wheat, 15 bushels; oats, 30; peas, 16; potatoes, 150; turnips, 300; and carrots, 500 per acre.

Culbertson—Wheat, 20 bushels; oats, 30; peas, 25; hay, one and a half tons per acre. All roots commonly raised in Canada.

Black—Same average as Coleman.

Bellefeuille—Oats are best crop; yield 30 bushels per acre; turnips and potatoes.

Sparling—Wheat, 15 bushels; oats, 30; and hay, one and a half tons per acre. Potatoes, turnips, and carrots.

County of Peterborough.

Hartle—Wheat, 15 bushels; oats, 30; and peas, 20 per acre; barley also grown.

County of Bruce.

Allen—Wheat, 20 bushels; oats, 40; peas, 25 per acre; potatoes and turnips.

Spragg—Wheat, 15 to 20 bushels; oats, 30 to 50; peas, 20 to 30; and barley, 25 per acre. All roots and vegetables.

QUEBEC.

County of Joliette.

Levesque—Oats, 30 bushels; and peas, 20 bushels to the acre. Roots succeed well.

Page—Oats and peas are the chief products, but wheat, rye, barley, buckwheat, and all roots do well.

Martel—Oats and peas, 20 to 25 bushels to the acre; potatoes and carrots.

Bonin—Oats, wheat, buckwheat, peas and barley grow luxuriantly; potatoes grow readily.

Daly—Peas and oats are grown most extensively and yield from 12 to 20 bushels per acre; potatoes 200 to 250 bushels per acre.

Woods—Same answer as Levesque.

Shields—Same answer, leaving out peas.

Robitaille—Oats, rye, and wheat yield about ten bushels; potatoes.

Cornellier—Wheat, barley, oats, and buckwheat ordinary yield, from 10 to 20 bushels per acre; potatoes and Indian corn are cultivated with success.

Neveux—Peas, wheat, oats, and buckwheat general yield 15⁴ to 20 bushels; oats, 25 bushels to the acre.

Gauthier—Oats, 30 bushels per acre; potatoes.

County of Argenteuil.

Stamforth—Hay, one and a half tons; wheat, 12 to 20 bushels; oats, 15 to 30 per acre; potatoes and turnips of excellent quality are raised.

Munro—Wheat, 25 bushels per acre. Oats, barley and all other grains grow abundantly; no part of Canada can produce more per acre. All roots and vegetables do well.

Filion—Oats, barley, buckwheat yield 25 bushels per acre; potatoes and turnips yield largely.

G. and R. Meikle—Oats and barley 20 bushels, wheat 12 bushels per acre. All root crops.

McCallum—Oats, 30 bushels, and Indian corn, 20 bushels per acre. Potatoes and turnips 300 bushels to the acre.

McArthur—Oats, barley and peas; all root crops.

County of Montcalm.

Wm. Copping—Oats 15 to 20 bushels per acre; potatoes 500 bushels per acre.

McCarthy—Wheat, oats, barley, rye, buckwheat, flax, &c., average 25 to 30 bushels per acre. Roots very successful.

Green—Oats, 10 to 15 bushels; buckwheat, 20 bushels; potatoes 100 bushels, and hay 200 bundles per acre.

Lepine—Oats, peas, beans and buckwheat, from 20 to 25 bushels per acre; potatoes abundant.

J. G. Copping—Oats 25 bushels per acre; wheat and peas. Potatoes from 80 to 100 bushels per acre; buckwheat raised extensively.

County of Champlain.

Beaudry—Oats 16 to 18 bushels per acre; potatoes yield well. Barley gives a good return, but is not generally cultivated.

Houle—Oats 15 bushels per acre; potatoes and turnips.

County of Maskinonge.

Ferron—Oats, peas and buckwheat. Potatoes and turnips yield well.

Julien—Wheat, oats, buckwheat, peas and barley yield 15 to 20 bushels per acre. Potatoes and turnips yield 100 to 125 bushels per acre.

Bayeur—Wheat, oats, buckwheat and peas yield from 10 to 15 bushels per acre. Root crops are successfully grown.

County of Ottawa.

Aylwin—Oats 30 to 40 bushels, and wheat 15 to 30 bushels per acre. Potatoes and turnips do well.

Duhamel—Oats yield 20 to 30 bushels, fall wheat 30 to 35, spring wheat 15 to 20. Potatoes, turnips, carrots and beets. The sugar beet has been tried with success.

Ellard—Oats 40 to 50 bushels; hay $1\frac{1}{2}$ tons; wheat 30 to 40 bushels; peas 25 to 35 bushels to the acre. Root crops and vegetables do well.

District of Three Rivers.

Neault—All kinds of grain suitable to the Province of Quebec.

Prince Edward Island.

Mutch—Oats 40 bushels, and potatoes 160 bushels per acre.

McNeill, McEachern, Smith, McKinnon, McGregor, Carroll, Callaghan, Doyle, McPhail, Tuplin, Lea, Robertson, Beaton—In cereals, oats, wheat, and barley are generally raised. Oats average 40 bushels per acre, wheat 20 to 25, and barley 30. Potatoes yield 200 to 300 bushels, and turnips 600 to 1,000 per acre. These are our staple root crops, the Island being noted for its potatoes and turnips.

- Brown--Wheat, barley, oats, hay, potatoes, and turnips; yield very uncertain.
 Sutherland--Hay, $2\frac{1}{2}$ to 3 tons; wheat, 20 bushels; oats, 40; barley, 35; potatoes 200, and turnips 800 (and, if well manured, 1,000) per acre.
 Doughort--Wheat, 18 bushels; barley, 30; oats, 32; potatoes, 200 per acre. All root crops do well.
 Martin--We grow more oats than any other grain; yield 25 bushels to the acre. Potatoes and turnips 200 bushels per acre.
 Murphy--Oats, 40 bushels; wheat, 18, and potatoes, 240 per acre.
 McKenzie--Oats, 28 bushels, and potatoes 150 to 200 bushels per acre.

Manitoba.

- Hall--Wheat is the principal crop, and yields 25 bushels per acre; oats, 50 to 60; potatoes, 200, and turnips, 600.
 Morgan--Same answer, giving potatoes 400 bushels.
 Mackercher--Wheat, 30 bushels; barley, 40; oats, 60; peas, 25; potatoes, 400 per acre. Turnips succeed well.
 Waddell and Harlow--Same answer, giving oats 70 bushels.
 Robertson--Same answer, giving peas 35 bushels.
 McLean--Wheat, 25 bushels; oats, 55; barley, 40; peas, 30; turnips, 700, and carrots, 300 bushels per acre.
 Taylor--Wheat, 30 bushels; barley and oats, 50 bushels per acre.

ADAPTATION OF DISTRICTS FOR STOCK RAISING.

.....Question--Do you consider your district adapted for the raising of stock, and how many months in the year is it necessary to feed and keep stock under shelter?

ONTARIO.

County of Hastings.

Answers of Messrs.

Norman, Gunter, Tait, Wilson, Ray, Lake, Carswell, Bennett, Kavanagh, Bentley, Menzies and Hamilton--Yes; five or six months.

Nugent--It is better adapted for this than any thing else; when the lowland is cleared the grass is excellent. Five months in the year.

Cleake--The district is well adapted for stock raising, the woods affording an abundance of nutritious food after the commencement of spring, and by the middle of November all cattle are in fine condition. Five months is the average time that stock have to be fed and housed. Sheep raising here is very profitable. Dairy farming will one day be carried on in this district on a large scale, when there are any facilities for transportation.

Parkhurst--Settlement too new for stock raising. Six months.

Electoral District of Muskoka.

Begg, Koyl, Sharpe, Doherty, Ashdown, Parker, Ewing, Davidson, Burgess, McMurray, White, Tait, Johnston, Brooks, Best, Wilcock, Lalor, S. and J. Armstrong, Dobbin, Fraser, Ballantine, Starrat, Beatty, Hill, Jarvis and Ross--The district is admirably adapted for stock raising, being well watered, and all kinds of grasses grow luxuriantly. Cattle housed and fed for five to six months.

Scarlett--This district is better adapted for stock raising than wheat growing. Coarse grains are a sure crop, barley never failing. From ten acres sown last spring with grass seed, one and a-half tons of pure timothy hay per acre was mowed. Five months.

Sirett--A considerable portion of this district is and always will be in a wild state, but is excellent pasturage, making the district well adapted for stock raising or dairying. Young stock do well in the woods as soon as the snow disappears. Five to six months.

Tookey—Cattle and sheep do remarkably well in this district.

McEachern—I consider that stock raising could be profitably conducted in this vicinity, as grasses of every kind grow very abundantly, and are not affected by the summer drought on account of the abundance of water and the moist nature of the soil; also, at present, there is a large area of beaver meadow that would afford pasture in summer, and if the hay was properly cured, make splendid winter fodder. About six months winter.

Fluker—I consider this district second to none in Ontario for stock raising purposes: we have large natural meadows dotted all over the country, which are of great assistance to the new settler in keeping his stock.

McKenzie—Yes; sheltered five months; fed six months. Sheep farming could be carried on very profitably, but is precluded by the presence of wolves, for the destruction of which there is no bounty.

County of Victoria.

McLaren—As the hay crop is one of the best, and beaver meadows are numerous, it is; seven months.

Fell—The land being high and dry, and tolerably well watered by streams and springs, it is well adapted for stock raising; six months.

Staples—This will undoubtedly eventually become a stock raising district; six months.

Hastings—Stock can be kept here during winter cheaper than in the County of York.

McLaughlin, Spring, Hovey and Ragin—The district is well adapted for stock raising; six months.

County of Perth.

Jones, McDermott, Rutherford and Ford—Yes; between five and six months.

Cleland—This district best adapted for dairying purposes, combined with stock raising; five and a half months; ten cheese factories in operation.

Provisional County of Haliburton.

Langton and Blomfield—Well suited to stock raising, particularly sheep; from four to six months.

County of Renfrew.

Coleman, Coburn, Culbertson, Black and Sparling—Yes; from five to six months.

Mansell—Not very good; six months.

Bellefeuille—Middling; six months.

County of Peterborough.

Harte—Yes; six months.

Spragg—The long winter of six months is a drawback.

QUEBEC.

County of Joliette.

Levesque, Pagé, Martel, Woods, Shields, Robitaille, Cornellier and Gauthier—Yes; from five to seven months.

Bonin—Since the soil naturally produces abundance of hay, and in certain of the more mountainous parts it is only harvested, this section is well adapted for stock raising.

Daly—No; it being necessary to feed and keep stock under shelter six months.
 Neveux—No; six or seven months.

County of Argenteuil.

Stamforth, Munro, Filion, Meekles and McCallum—Yes; from five to six months; mountains afford excellent pastures.

McArthur—Yes; all this region is well adapted for the purpose, and any money made here is made by stock raising. It is a fine butter section; six months.

County of Montcalm.

Wm. Copping, McCarthy, Green, Lepine and J. G. Copping—Yes; from five to six months.

County of Champlain.

Beaudry—Yes; six months.

Houle—No; six and a half to seven months.

County of Maskinonge.

Ferrow, Julien and Bayeur—Yes; from five and a half to seven months.

County of Ottawa.

Aylwin—Good stock raised here; about seven months. Duhamel and Ellard. Not very well adapted for stock raising. Winter rather long; about six months.

District of Three Rivers.

Neault—Yes; six and one-half months.

Prince Edward Island.

Mutch, McNeill, McEachern, Brown, Smith, McGregor, Callaghan, Doyle, McPhail, Martin, Murphy, Tuplin, Lea, Robertson and Beaton—Yes; from five to seven months.

McKinnon—Good deal of labour to raise stock.

Carroll—Not very well adapted for stock raising, as shelter and food must be provided for six or seven, and sometimes eight months.

Sutherland—Soil rather dry; seven or seven and one-half months.

Doughort—Winter too long; five to six months.

McKenzie—No; six or seven months.

Manitoba.

Hall, Morgan, Harlow and Taylor—Yes; from five to six months.

Mackercher, Waddell, Robertson and McLean—Yes; as hay is easily got and very plentiful, stock generally is very healthy. Five months for young stock, but six months feeding is the usual time. Stock does better with good warm shelter.

TIMBER IN VARIOUS DISTRICTS.

Question 7. What proportion of the District is timbered, and would you describe the various kinds and to what extent lumbering is carried on?

ONTARIO.

County of Hastings.

Answers to Messieurs

Norman and Gunter—About two-thirds with cedar, ash, beech, hemlock, birch, pine, tamarac, maple and elm. Lumbering limited.

Nugent—From the Township of Madoc north to the Ottawa, pine, cedar, maple, birch, basswood, ash, hemlock, black oak and elm; until the last two years many firms were engaged in lumbering chiefly in pine and cedar.

Tait, Ray, Carswell, Bennett, Kavanagh, Bentley and Parkhurst—A good portion of the district is timbered with pine, beech, maple, basswood, elm, hemlock, oak, ironwood, &c. Lumbering carried on to a considerable extent, affording, in many instances, an excellent market for farm produce.

Cleake—There are extensive groves of pine, but the best portions have been cut for market. The hardwood consists of maple, beech, birch, elm, basswood, ash, &c., with a servicable quantity of cedar. The hardwood is large sound and serviceable, but there being no means of transit it is destroyed when the land is being cleared. Lumbering decreasing annually.

Wilson—District pretty well cleared; in the north about 20 or 30 miles large pine limits exist, and a large amount of lumbering is done about three miles from L'Amable. Timber same as in last answer.

Lake—Hardwood and pine along the lakes and streams.

Menzies—One-sixth timbered with pine, the remainder with maple, elm, basswood and birch.

Hamilton—Townships very generally timbered with pine, maple, beech, birch, basswood, hemlock, spruce, tamarac, ash and elm. Lumbering disappearing. Fires have been more destructive than the axe.

Electoral District of Muskoka.

Begg—The Township of McMurrich is timbered with mixed wood: black and white birch, maple, tamarac, spruce, &c. Pine is scarce, and of poor quality. No lumbering.

Koyl, Sharpe, Doherty, Ashdown, Sirett, White, Davidson, Burgess, McMurray, Tookey, Brown, Tait, Johnston, Fluker, Brooks, Wilcock, S. and J. Armstrong, Dobbin, Fraser, Ballantine, Starratt, Beatty, Hill and Jarvis—The greater portion of the district is timbered with pine, beech, maple, ash, elm, hemlock, birch, basswood, oak, ironwood, &c. On swampy land there are cedar, tamarac, pine, balsam and spruce; on hilly land, birch, maple, beech and hemlock; on the level land the timber is more mixed. In some townships lumbering is carried on very extensively, and in some degree in all the townships; it is particularly extensive near the Georgian Bay. Lumbermen afford a good local market for farm produce.

Scarlett, Parker and Lalor—Timber as in last answer, but no lumbering.

Ewing—About four-fifths still under timber; beech, maple, birch, hemlock, ash, ironwood, pine in groves, spruce, cedar, oak and basswood. Marketable timber nearly all gone; square timber, saw logs and some oak still taken out.

McEachern—In this township (Spence) there is more or less pine scattered all over, under license to the Maganatewan Lumbering Co. Other timber is abundant.

Best—Mixed timber covers the whole district; very little lumbering carried on; not any more pine, in many sections, than is required for use of settlers.

McKenzie—Wholly timbered with various kinds. No lumbering at present; cannot be successfully carried on but for local purposes.

Ross—District well timbered with pine and oak.

County of Victoria.

McLaren, Fell, McLaughlin, Spring and Reagin—About two-thirds of the district is timbered with birch, beech, hemlock, cedar, pine, tamarac, elm, &c. Pine is rapidly disappearing. Lumbering has been for a considerable time past, and is now, extensively carried on.

Staples—Three-fourths of this township (Bexley) is timbered with some kinds as in last answer, with black beech and butternut. The best has nearly all gone to market. Six steam sawmills in the neighbourhood.

Hastings—In the Free Grant lands are maple, beech, birch, basswood and considerable pine. Lumbering largely carried on.

Hovey—About one-half timbered with various kinds. Pine nearly all gone.

County of Perth.

Jones—One-fifth. Beech, maple, ash, cedar, elm, pine and hemlock.

McDermott—One-tenth with hardwood. Lumbering very limited.

Rutherford—Timber nearly all gone; only sufficient left for firewood and domestic purposes.

Ford—No timber only for home use.

Cleland—About one-fifth of Township of Wallace is in bush, timbered with pine, cedar, black ash, &c. Eleven sawmills in township. Best timber all used up.

Provisional County of Haliburton.

Langton—This municipality, consisting of the Townships of Anson, Lutterworth and Hindon, is well timbered with fine maple, beech, birch, and some cedar. Some four years ago, lumbering was extensively carried on; but, owing to the depression, there is not much doing now.

Blomfield—The whole country is thickly timbered with beech, maple, birch, hemlock, basswood, wormwood, and some elm, cedar, &c. From 50,000 to 100,000 standard logs, and from 200,000 to 500,000 feet square timber annually.

County of Renfrew.

Coleman—Timber of all kinds is becoming scarce; no lumbering in this vicinity.

Coburn—Bush fires have swept this district of the valuable timber it once possessed; pine is the timber principally used and, including what is done on the Quebec side opposite here, it is extensively manufactured into saw-logs and square timber.

Mansell, Culbertson, Black, Bellefenille, and Sparling—About one fourth of the district is still timbered with various hardwoods, with some cedars, spruce and balsam. Pine is becoming scarce; very little lumbering carried on now.

County of Peterborough.

Hartle—This is a well-timbered district, one-half hardwood and one-half pine; considerable lumbering.

County of Bruce.

Allen and Spragg—All timbered with maple, beech, hemlock, cedar and pine; lumbering limited.

QUEBEC.

County of Joliette.

Levesque, Martel, Daly, Woods, Robitaille, Cornellier, and Gauthier—A portion of the district is timbered with pine, spruce, hemlock, birch, sugar maple, &c.; lumbering operations carried on principally in the unsettled parts; just now that industry is dull.

Pagé—Plenty of timber up the Matawa and Manawen; lumbering operations limited just now.

Bonin—Seven-eighths of the parish (St. Emmelie) is magnificently wooded with maple, black birch, pine, spruce, elm, basswood, hemlock, &c.; lumbering is carried on extensively on the Black and Assomption River.

McCarthy—The mountainous parts of the district are timbered with useful woods of various kinds; considerable lumbering.

Shields—In the back parishes pine and spruce abound; lumbering stopped owing to hard times.

Neveux—There is a large extent of wooded country here owned principally by lumbermen; we have all woods but pine.

County of Argenteuil.

Stamforth and McCallum—Two thirds of the land is timbered with various kinds of wood, but all the pine being cut lumbering is not much carried on here.

Munro—About nine-tenths is timbered with pine, spruce, hemlock, elm, ash, cedar, birch, maple, and some oak; about 75,000 pine logs cut annually on River Rouge.

Filion—In the rear townships several firms do a large lumbering business.

G. and R. Meikle—District well timbered with hard and soft woods.

McArthur.—Half the land is under timber, chiefly hardwood; hills are timbered with spruce of which several thousand logs are floated to Lachute every spring.

County of Montcalm.

Wm. Copping and G. Copping—Considerable timber of various kinds can be found, but the best has been cut; not much lumbering now.

Green—About one-half is covered with birch, beech, maple, spruce and hemlock; considerable lumbering.

Lepine—Maple, birch, and white spruce.

County of Champlain.

Beaudry—About one-half of the occupied land and three-fourths of the uncleared land are bush. All kinds of hardwood is to be found, and also the merchantable timber—pine, spruce, &c., which is largely manufactured in the district, and which furnishes nearly one-third of the sawn and other lumber of our Province.

County of Maskinonge.

Ferrow—Large portion is wooded.

Julien and Bayeur—One-third is timbered with maple, birch, ash, pine, balsam, oak, tamarac, white spruce, cedar, &c. Considerable lumbering in sawlogs and square timber.

County of Ottawa.

Aylwin—Timber nearly all taken off by lumberers and settlers; that left embraces all kinds.

Duhamel—About one-half the district is timbered with pine, oak, tamarac, cedar, maple and birch. About 4,000 logs cut last season are to be taken to market from the Gatineau.

Ellard—The greater portion of this district is timbered, and lumbering is extensively carried on.

District of Three Rivers.

Neault—Greater portion wooded with timber peculiar to Canada.

PRINCE EDWARD ISLAND.

Mutch, McEachern, Brown & Robertson—Not much timber left, and consequently very little lumbering done.

McNeill—About one-fourth of the district is still forest, principally beech, birch, maple, spruce and fir.

Smith—Almost every farmer has timber growing on his own farm for fuel and fencing; principally spruce, fir, hemlock, maple and pine.

McKinnon—One-half, principally small growth hard and soft woods suited for ship timber, boards, firewood, fence-poles, &c.

McGregor—Timber nearly all gone; firewood so scarce that many are using coal.

Carroll—One-half of Lot No. 6 is covered with some kind of timber, much of which is of no value; some deals are sawn and shipbuilding done, but lumbering is not carried on to any great extent.

Callaghan, Sutherland, Doyle, Doughort, McPhail, Martin, McKenzie, and Beaton—About one-third is timbered, of which one fifth is the original growth; birch, maple, beach, spruce, fir, pine, &c., Not much lumbering done.

Murphy—One-sixth is timbered.

Lea—Spruce, fir and hemlock are sawn, but the supply does not near meet the demand; considerable lumber is imported.

MANITOBA.

Hall and Morgon, Headingly—Only a small portion of district is wooded; no lumbering done here; up the Assiniboine considerable is done.

Mackercher, Waddell, Harlow, Robertson, and McLean, Rosseau—Along the Rousseau River are belts of timber from a few rods to a mile wide. These consist of tamarac, spruce, pine, poplar, cotton-wood, hemp-log, &c., to a considerable extent, but chiefly oak. There is plenty of lumber for present requirements; no lumbering done, though the natural advantages for it are good.

ADVANTAGES AND FACILITIES FOR SETTLEMENT ON FARMS.

Question 8—Are the soil, climate and other natural advantages conducive to successful farming, and what inducements are held out to tenant farmers and others of moderate means to procure partially improved farms, and can you cite any instances of individual success in this respect in your locality?

ONTARIO.

County of Hastings.

Answers of Messieurs

Norman—Climate, favorable; soil, medium.

Nugent—The soil produces abundantly. Partially improved farms can be obtained cheap from men who, coming here without experience, have got tired of farming. Some men without capital, but with experience, are doing well.

Gunter—The soil and climate are both conducive to successful farming. Improved farms can be bought for \$400 or \$500. One-half of the whole population have made themselves comfortable.

Tait, Lake, Kavanagh, Bentley and Parkhurst—Yes; soil, though stony, is good, and the climate is healthy. Some partially improved farms are to be procured reasonably; district is free grant; settlers doing tolerably well.

Munro—Same answer. Twelve years ago I came to this district without anything, and I have now three hundred acres of land and a good stock.

Bennett—Same answer. I know of no man, who minded his farm and kept from whiskey, but has succeeded. Many are doing well who came here without means.

Cleake—The climate is much the same here as elsewhere in Canada; the season for work is but very little later in the spring or earlier in the fall, and the little difference will become less and less noticeable as the country becomes improved. The whole district is remarkably well watered, and completely salubrious. With regard to tenant farmers, as the land is patented under the Free Grant system, there is very little demand for rented farms, but they can easily obtain partially improved farms on very moderate terms. Some settlers occupy rented farms for a season or two, until they can locate themselves satisfactorily.

Wilson—I have been used to market gardening in England, and I have paid there £4 per acre rent for worse land than I now occupy. Not many farms to rent, for each occupier desires to keep his farm. The district is well watered.

Ray—The district is better adapted for grazing than general farming. Tenant farmers would do well, as there are a number of places to rent.

Menzies—Yes; partially improved farms can be purchased from \$200 to \$800. Hundreds of individuals are now well off who came here with \$50 to begin with.

Hamilton—Soil, light, sandy loam, easy of cultivation: soda abounds in it. No place for tenant farmers. A man with moderate means can easily procure an improved farm.

Electoral District of Muskoka.

Begg—The soil is fertile, climate favorable, and the locality suitable for successful farming and stock raising. Settlers appear well satisfied.

Royal, Sharpe, Ashdown, Sirett, Davidson, Burgess, McMurray, Johnston, Fluker, Dobbin, Fraser, Ballantine, Hill and Ross—Yes. Soil, fertile; climate, healthy; good yields; good markets in most places, and fair roads. All thrifty settlers have succeeded. To men with moderate means there are good inducements with from \$20 to \$1,000. The most of the land being free grants, there is not much renting done, for every one can get a lot for himself by performance of settlement duties. This district can be made a profitable farming district, particularly if the farmers turn their attention to stock-raising.

Scarlett The soil here is of a sandy and clay loam in different places. Climate same as that of Toronto. A farm, with about 25 acres of cleared land on it, and well fenced, can be obtained for from \$500 to \$1,000.

Doherty—Yes. Experience, application and energy will ensure success. Good inducements to men having from \$200 to \$500.

Ewing—In this district there is every variety of soil from heavy clay on the flats and lowlands to light gravel on the heights and ridges. Climate, the finest in the world; mild winters and cool summers. The majority owning their own land; tenant farming has not been tried as yet. Improved farms with clearances of 20 or 30 acres, could be purchased from \$50 to £400.

Parker—Answer same as last. I know men who located here some years ago, and who had to hire out the first year, but who now have 30 or 40 acres cleared, good buildings, and 10 or 12 head of cattle; others, with means and without experience, have failed.

White—Same answer. A Mr. Fetterly came in here ten years ago with six of a family and \$2 capital, and is now worth \$3,000 or \$4,000.

Tookey—Soil, sandy loam, and climate good. Parties having \$500 or \$1,000 can procure improved farms to advantage. Industry, perseverance and sobriety ensure success.

McEachern—At present there is not much inducement to tenant farmers, as all the lands are held under the Free Grant Act, which does not permit leasing to advantage. The soil is very productive when properly cultivated, and all the settlers who have been thrifty and industrious are prosperous and comfortable.

Brown—District too new for any but actual settlers. Those who came here with some means are doing remarkably well.

Tait—The general aspect of the country is rough and rolling, the soil varies so much, that it is difficult to give a correct idea of it. Climate exceedingly healthy. Parties with some means are the most suitable class for this district now.

Brooks—The long winters are the only drawbacks. It costs \$20 to clear and fence an acre, the land being free grant, any one take up a location for himself.

Best—Soil, clay loam; climate, healthy. All lands are free grant.

Wilcock—Soil, various; climate, good. Harvest is two weeks earlier than some parts of Grey County, 100 miles south.

Lalor—Yes; I do not think an emigrant would do well to settle here as a tenant farmer unless he got a clearance near his location, so that he could have that while clearing his own location. This being a young district there are not many farms in the market. If a tenant farmer from the British Isles purchased a farm he could have advantages which pioneers lack, viz., roads, schools, post office, a market and more help. There is also the advantage of having neighbours by whose experience he can profit. There are two brothers, not two miles from here, who came in about six years ago, one of whom was the owner of an axe and about fifteen dollars, he has now a good clearance, dwelling and outbuildings, and a fair stock. The other brother had nothing but a stout heart, a willing mind and a good pair of hands; he also now has a good clearance, dwelling and outbuildings, and a fair stock. I know of others who live at a greater distance off who are also successful.

S. and L. Armstrong—Yes; new settlers being able to procure locations of their own, this being a free grant district do not care to lease. This will be done in the future, however, and we think successfully.

Saratt—Same answer. Any farms for sale are at too great a price.

Beatty—Soil in general clay loam, some parts mixed. Being a free grant district there are no tenant farmers.

Jarvis—Soil and climate fair. No inducements to tenant farmers, locatees not being permitted to sell.

McKenzie—Soil light alluvial with usual vegetable mould. Climate unsurpassed on continent for healthiness. Men with moderate means and ordinary energy and good judgment will succeed. The failures have been men *plus* money *minus* brains and activity.

County of Victoria.

McLaren—Climate, good; fall wheat can be grown which will sell for within one cent per bushel the price in the Toronto markets. Men with very limited means have become wealthy within the last ten or twelve years; free grants can be purchased for \$100 to \$200 within eight or ten miles of the village of Sheddon.

Fell, Staples and Spring—Yes; some parts are stony, but the soil and climate are good; industry and prudence ensure success; numbers around here have succeeded admirably, and from small beginnings have vastly bettered their circumstances.

Hastings—Climate and soil are good; the land is too much neglected by settlers working with lumbermen; men of moderate means can easily procure good partially improved farms.

McLaughlin—Cannot be considered a successful farming district; partially improved farms can be bought from \$800 to \$1,500.

Hovey—Soil and climate suitable for farming purposes, the drawback being the large number of stones; not many tenant farmers here, but these are doing well.

Reagin—Soil and climate good; inducements are low rents, good markets and cheap lands partially cleared. There are various persons in the county who ten years ago had not enough money to buy a cow, but who now have everything around them comfortable, and are worth from \$3,000 to \$10,000.

County of Perth.

Jones and Rutherford—Yes; farms can be rented reasonably, and several beginning in that way have afterwards purchased for themselves.

McDermott—Yes; farmers here who are industrious are successful.

Ford—Our farmers are a most successful class.

Cleland—With partial draining the soil is well suited for raising all kinds of crops. Tenant farmers who can stock a farm of 100 acres will succeed.

Provisional County of Haliburton.

Laughton—As the country is broken up by ridges of rock and a good deal of the land is stony it requires a man who is industrious, persevering and economical to be successful. Such settlers have succeeded. Squatters are ready to sell them small improvements at any time for small amounts.

Bloomfield (for Can. Emmi., Com.)—Yes; although the season is somewhat shorter than at the "front," the soil is fit for the plough on the disappearance of the snow; from its friable character and from the fact that there is little or no frost in the ground, nature has provided a soil suitable to the climate. A heavy clay soil would be wasted in our district. The country is well watered by beautiful lakes and innumerable streams. We do not improve lots for sale. We tried this plan on a small scale by putting up log houses and clearing a few acres but found it a failure. Opportunities are offered of buying out some of our original settlers. Some few old country men have succeeded well, but, as a rule, our most successful farmers have come from older settled districts. Any real farmer can succeed if he is industrious, and he need no longer fear the want of markets or that the settlement will be deserted on the departure of the lumbermen.

County of Renfrew.

Coleman, Coburn, Mansell, Culbertson and Sparling—Yes; partially improved farms can be obtained reasonably. Men can secure good situations with \$1,000 or \$1,500. German settlers have done well.

Black—Soil is very good, but summer season is rather short for successful farming.

Bellefeuille—Soil generally poor. No tenant farmers.

County of Peterborough.

Hartle—Yes; partially improved farms reasonable. Many settlers who have purchased improvements have succeeded.

County of Bruce.

Spragg—Soil and climate good.

QUEBEC.

County of Joliette.

Levesque—The whole district is more or less adapted for cultivation. Land partially improved are reasonably dear. Some who came here with scarcely ten dollar are now worth from \$4,000 to \$12,000.

Pagé, Martel, Robitaille and Cornellier—Yes; settlers have succeeded well. Partially improved and can be procured at a moderate sum. Good farms sell for \$1,000 and upwards.

Bonin—Soil, fertile; climate, advantageous. A number who came from the old parishes without any means of subsistence are now in easy circumstances.

Daly—The soil, with some exceptions, is good; the unsettled portions are somewhat inferior. The winter is long and cold.

Woods—Soil varies.

Neveux—Unsettled land does not offer much inducement to settlers. Men with small means frequently succeed.

Gauthier—Soil a yellow loam mixed with sand. Climate cold but healthy. People are long lived. Land partly cleared not dear.

County of Argenteuil.

Stamforth—Any industrious farmer may attain comfortable circumstances. All occupants are proprietors.

Munro—Soil and climate are good. Partially improved farms can be procured on good terms. Settlers have done well, and generally commenced without means.

Filion—The county is favourable to tenant farmers for whilst renting a farm they can purchase a bush lot and improve it during their spare time.

G. & R. Meikle—Three-fourths of our farmers prove that an industrious settler can make a comfortable living.

McCallum—Soil, good; climate, healthy. Not much renting done. Small improvements can be reasonably procured.

McArthur—Farming can be successfully conducted. Not many farms rented, but tenants appear to do as well as the proprietors. Some improved farms for sale.

County of Montcalm.

McCarthy, Green and Lepine—Yes; tenant farmers or others, with moderate means, can easily make a good living if willing to work. Most of the settlers came here poor, but those who have been thrifty and saving are now well off.

J. G. Copping—Farms rather rough and stony.

County of Champlain.

Beaudry—All economical and industrious settlers can become independent in a few years, and there are many instances of this in the district. The soil and climate are favourable to the cultivation of all grains and vegetables. Over and above his crop the settler has the timber on his land and the advantage of employment in the large lumbering establishments.

Houle—Soil, good; climate, bad; frosts frequent; land cheap.

County of Maskinonge.

Ferron—An emigrant to succeed must settle on land covered with standing timber and work upon it. Land is cheap.

Julien and Bayeur—Climate and soil are tolerably favourable for farming. Many have succeeded who began with nothing. Improved farms can be bought for \$10 to \$20 per acre.

County of Ottawa.

Aylwin—Soil sandy and heavy clay. Renting farms would hardly pay, as it takes all a man can raise to make a living.

Duhamel—Yes. If we had railway facilities our district would equal any part of the Province of Quebec, and be superior to the Province of Manitoba.

Ellard—Soil and climate good; all engaged in farming are successful according to their diligence. Partially improved farms can be purchased on moderate terms.

PRINCE EDWARD ISLAND.

Mutch, McNeill, McEachern, Brown, Beanon, Callaghan, Sutherland, Doyle, McPhail, Tuplin, McKenzie, Lea and Beaton—The soil and climate are such as to

make farming successful with industry and forethought. There are no natural impediments. There are not many farms either for sale or to rent. Land usually sells at from \$10 to \$40 per acre, according to location. Partially improved farms may occasionally be purchased on good terms. A goodly number who commenced with but little means have made themselves comfortable. A railway through the island has recently been constructed. We have good roads, a free educational system, and local weekly newspapers.

McKinnon—Soil of medium quality; winter season for four months very cold, four months moderate, and four months very warm. Settlers generally have to work hard for fifteen or twenty years, and then are very lucky if independent.

McGregor—The soil is not good, as in other parts of the island. Few farms change hands, but when they do the price is \$20 or \$40 per acre. There are seven brick yards in the western part of the district, which consume all the wood farmers can supply.

Carroll—No. Not much inducement to tenant farmers; very few farms for sale.

Doughort—Soil easily cultivated, but not rich. Partially improved farms can be bought for about \$600 per 100 acres. Old country farmers succeed well.

Martin—Yes. The expense of getting lime or mussel mud to the interior by rail or cart is the greatest drawback to successful farming. Some here could not keep their farms; others have redeemed them in a few years, with very little capital to begin with.

Robertson—The extreme length of winter is a drawback. A few farms can be rented moderately. A good number have succeeded.

MANITOBA.

Hall and Morgan—Soil and climate very favorable. No difficulty in renting a farm at a reasonable rate. Success is the rule.

Waddell—The fertility of the soil is inexhaustible, and climate favorable.

Mackenher, Harlow and Robertson—Soil unsurpassed in the world. Climate good. Improved farms can be secured on good terms. Farms are rented and worked on shares also. Success is sure to follow industry and good management.

MEANS REQUIRED FOR SETTLEMENT.

Question 9.—What amount of means, in your opinion, ought an immigrant to have for settlement in your District?

ONTARIO.

Province of Ontario.

Answers of Messieurs

Norman, Nugent, Gunter, Tait, Cleake, Ray, Carswell, Bennett, Kavanagh, Hamilton and Parkhurst—From \$200 to \$300; many settlers have got along well who came here without anything.

Wilson—A single man requires nothing more than health, a willingness to work, a good axe and a jack-knife. A man with a family should have enough to carry through the first season.

Lake—Money enough to get here with, good health and a willingness to work.

Bentley—At least \$800.

Electoral District of Muskoka

Begg, Koyle, Doherty, Ashdown, Sirett, Parker, White, Davidson, McMurray, McEchern, Brown, Johnston, Fluker, Best, Wilcock, Lalor, S. and J. Armstrong, Dobbin, Fraser, Ballantine, Starrat and Ross—From \$200 to \$500. The amount

necessary depends on the energy of the settler. Settlers should bring sufficient to tide them over the first season, or until they can sow a crop. Many have come here without a dollar and are doing well.

Sharpe—Some came with \$5 and are now rich.

Scarlett—Emigrants should have about £500 sterling, and purchase improved farms. A Canadian with his axe is better than an emigrant with \$500.

Ewing—Depends much on number and age of family. As a rule parties coming with \$150 are better off at the end of ten years than one who brings \$1,500. Settlers, of course, should bring all they can, but should not stay away for want of a certain sum. Many come without a cent and succeed.

Burgess—No steady, industrious working man need fear to face the bush with even a small amount of cash.

Tookey—No particular amount; some come with considerable and some with nothing; all seem to do well.

Tait—Depends upon the economy and energy of the individual; we had only nine months' provisions.

Brooks—Enough to do the first year; say from \$400 to \$800.

Beatty—Six months' provisions and a few dollars.

Hill—\$1,000.

Jarvis—About \$600.

McKenzie—\$500 to \$700 should establish a man of ordinary energy.

County of Victoria.

Fell, Spring and Reagin—About from \$200 to \$600, to buy seed, stock, &c.

Staples—The work of this section is altogether unsuited to old country immigrants. They should have \$1,000 or \$1,500, and secure improved farms.

Hastings—From \$1,000 to \$2,000.

McLaughlin—From \$600 to \$1,000.

Hovey—\$2,000.

County of Perth.

Jones—\$1,000.

Rutherford and Ford—\$500, and know how to farm.

Cleland—Farms can be bought here for from \$2,000 to \$4,000.

Provisional County of Haliburton.

Langton—\$200 to \$400. Improved farms can be bought from \$100 to \$1,500.

Blomfield—A farmer with £400 can do well.

County of Renfrew.

Coleman, Mansell, Culbertson, and Sparling—From \$1,000 to \$2,000.

Coburn—If he has brain, muscle, industry and perseverance, and, above all, sobriety, not a great amount of means is required.

Black—Cleared or partially improved farms are usually sold from \$10 to \$20 per acre.

County of Peterborough.

Hartley—From \$200 to \$500.

County of Bruce.

Allen—\$2,500.

Spragg—At least enough to keep them over the first year.

QUEBEC.

County of Joliette.

Levesque and Pagé--Enough to support himself and family on cleared land for a year, and more if he settles on uncleared land.

Martel, Boivin, Daly and Shields--From \$200 to \$500.

Cornellier--In the new parishes \$500 or \$600 is a sufficient sum to succeed with.

Neveux--To establish himself advantageously, from \$1,000 to \$1,200.

County of Argenteuil.

Munro, McCallum and McArthur--A few hundred dollars would do much towards giving an immigrant a start. Many have come here and succeeded with very little means.

Stanforth--One year's provisions, if going on bush land.

Filion--If an emigrant can support his family for the first year on a new farm, he will do very well.

G. and R. Meikle--An emigrant having \$600 can get along comfortably.

County of Montcalm.

McCarthy--Judging by myself, very little means will do.

Green--On free grants, enough to carry them through the first year.

Lepine--\$1,000, in some cases less would do.

J. G. Copping--At least \$200.

County of Champlain.

Beaudry--From \$300 to \$400.

Houle--About \$500.

County of Maskinongé.

Ferron--An emigrant who can work can succeed with \$300 to \$400.

Julien and Bayeur--From \$1,000 to \$2,000. ;

County of Ottawa.

Aylwin--A man with a family should have \$60, a yoke of oxen, and one year's provisions.

Duhamel--\$400 or \$500.

Ellard--An industrious settler can make a good start with \$150 or \$200.

District of Three Rivers.

Neault--At least \$2,000.

PRINCE EDWARD ISLAND.

Mutch, McNeil, McEachern, Brown, McKinnon, Carroll, Callaghan, Sutherland, Doughort, McPhail, Martin, Murphy and McKenzie--From \$1,000 to \$5,000.

Smith--An immigrant can get 100 acres of improved land for \$1,000 or \$1,500, with buildings, and sixty acres cleared. A horse costs \$80; a cow, \$15 to \$20, and a sheep, \$2.

McGregor--Land can be obtained in some townships from the Government on very favourable terms.

Doyle—The greater the capital the more the improvements; and, consequently, the sooner independent.

Tuplin—From \$4,000 to \$6,000. In some localities much less will do.

Lea, Robertson and Beaton—From \$100 to \$1,000 would start an immigrant comfortably.

MANITOBA.

Hall, McKercher and Harlow—About \$1,000.

Morgan—If he wished to buy a partially improved farm, from \$1,500 to \$2,000.

Waddell—A practical farmer with any sum over \$800, can soon make himself a comfortable home. I came here two years ago, and have since then expended \$1,500; have now \$500 worth of crop, a good frame house, lath and plastered, two cows, two large yoke of oxen, and eighty acres fenced and ready to sow.

McLean—About \$800 does to get a good start.

GENERAL INFORMATION.

Question 10.—State generally any information of interest to intending immigrants, and state the difficulties they would be likely to meet with in settlement in your district?

ONTARIO.

County of Hastings.

Nugent, Tait, Cleak, Ray, Bentley, and Menzies—The bad roads are the principal difficulties with which settlers have to contend. The want of railway communication is another great drawback to the settlement of the country.

Gunter—Discontentment is the greatest difficulty.

Wilson—A settler should come into the bush not later than the middle of September, that he may build a shanty and do some underbrushing before winter sets in. From the 1st April till the middle of winter anyone can get work among the present settlers. Immigrants should not be advised to stay at the front for a year or two, but sent right into the bush where they can find ready employment and gain experience.

Carswell—An industrious man can get along well.

Bennett—Want of knowledge of farming.

Kavanagh—Immigrants should purchase improved farms.

Hamilton—Immigrants from Europe should bring warm clothing, plenty of bedding with them. Provisions can be had here in the fall and winter months, but not in summer. Colonization roads obviate many difficulties.

Parkhurst—Same answer. Perseverance and pluck may overcome every difficulty.

Electoral District of Muskoka.

Begg, Koyl, Sharpe, Brooks, Ballantine, Starral, Beatty and Ross—Bad roads the chief difficulty. These are being improved every year. Railway communication is rather distant. With hard work and economy, however, any one can make a good living.

Doherty—Two difficulties with immigrants are the subduing of old country pride and leaving the ways of the country.

Scarlett and Mackenzie—One great difficulty is the want of a proper reliable guide in the townships to show settlers to their destination and tell them what they actually require. This would be the means of saving the settler much unnecessary expense, and also put a stop to the bad reports frequently sent home of the bad reception they met with.

Ashdown---As little freight as possible should be brought, for goods can be bought reasonably here. The black flies on bush lots are a drawback, but they decrease as the land becomes cleared.

Sirett---Every adult is entitled to a free grant of land. Excellent water abounds and the climate is remarkably healthy; good demand for labour; grain is plentiful. All the difficulties can be surmounted by industry, perseverance and sobriety.

Ewing---An immigrant should be young, strong, healthy, of good courage, accustomed to and not afraid of hard work. Such an one is sure to succeed.

White---Want of experience. There are good roads and plenty of available lands.

Burgess---Hard work, homely fare, rough roads, no churches, lack of schools, no doctors, hence no sickness.

McMurray---Since roads were built difficulties are very few.

Tookey---The stringent means of the Local Government in regard to timber on the Free Grant lands keep back many settlers. The Government should give full control of their farms, and then settlers with a better heart can contend against the natural difficulties.

McEachern---The only difficulty is the heavy expense of coming in during the early part of spring on account of bad roads. The best ways to reach here are by Gravenhurst and Rousseau or *via* Parry Sound.

Brown---The great disadvantage is the broken nature of the country, the good land lying in patches divided by rocky ridges devoid of sufficient soil for cultivation.

Tait---The erection of a large tannery at Bracebridge this coming summer will create a demand for labour, and also require 3,000 cords of hemlock bark annually. A large amount of Government money is to be expended this coming summer by the Government on the roads. No lime is a great drawback, as wheat cannot profitably be raised without it.

Fluker---The construction of a colonization road has removed all the difficulties.

Best---Settlers should arrive in August or early in September.

S. & J. Armstrong---Black flies two months in the year, deep snow in the winter are the difficulties they appear greater the first year than ever afterwards. To old settlers they are not difficulties at all.

Fraser---The greatest trouble with immigrants is the choice of site.

Hill---Immigrants should be careful to invest in something without delay, that would bring the best and quickest returns, in clearing if on bush land, and sheep raising if on improved land.

County of Victoria.

Fell---Emigrants who make up their minds to put up with hardships for a time will succeed.

Hastings---Immigrants come out too poor, and after locating have to work out to make a living, thus neglecting their farms; they then soon become discontented.

McLaughlin---To the sober and industrious, with a little means, there are no difficulties.

Hovey---The scarcity of well wooded farms is the chief drawback.

Reagin---Performance of certain duties entitles a settler to a free grant. No difficulties to the saving and industrious. Schools and good roads.

County of Perth.

Ford---Wages good for good men and female domestic servants; hard work.

Cleland---A man with the necessary means, willing to work, need fear no difficulty.

Provisional County of Haliburton.

Langton---If immigrants have sufficient means to make a small clearing, erect a house, and are willing to work, difficulties are not many or serious.

Blomfield—No difficulties other than those peculiar to a bush life. All the necessities can be procured in Haliburton where there are good stores, churches and schools. Roads are now good. Employment can always be found.

County of Renfrew.

Coleman—Good markets for all grain are found either at Pembroke or some of the lumbering shanties on the Upper Ottawa.

Coburn—A man, if he intends following farming, should get on the farm as soon as possible.

Mansell—Industrious immigrants can do well, mechanics and artizans are not suited to the locality.

Bellefeuille—No difficulties; good roads and close to markets.

Sparling—A settler with sufficient will not meet with many difficulties.

County of Bruce.

Spragg—Hard work the only difficulty.

QUEBEC.

County of Joliette.

Levesque—Irishmen who have settled in the hilly portions of this district are now tolerably well off.

Page—The unsettled districts are 60 or 70 miles to the north of here, but there is a good road all through it.

Martel—Want of means.

Bonin—Settlers too poor to clear their lands, and, consequently, not able to do much; would dispose of their land, upon which houses, barns, &c., had been erected, cheap. With perseverance and industry it is easy to secure a good establishment at little cost.

Daly—The difficulties are in finding work and good work to settle on.

Woods—The land is bad, rough, strong and hilly.

Cornellier—Grain and wood sell well. The North Shore and Laurentian Railway will greatly develope this part of the Province. The greatest difficulty is the long winter.

Neveux—

Gauthier—Chief difficulty, distance from market.

County of Argenteuil.

Munro and McCallum—The main difficulties are the want of roads and bridges.

Filion—Cleaning the forest is a great difficulty; every immigrant must learn to be an axeman.

McArthur—Immigrants should certainly hire for a year with a farmer before settling for themselves, thus adding to their means, and learning how to farm in Canada.

County of Montcalm.

Wm. Copping—Mountains too rocky, plains too sandy, but some good valleys.

McCarthy—A man with a little means, industrious and sober, will not meet with many difficulties.

Green—An immigrant should have a horse and two cows.

Lepine—Our people are well conducted; we have good schools. Our roads, with a little Government aid, would be put in good condition.

County of Champlain.

Beaudry—There are good lots of land for sale on the north side of the river, at a distance varying from 10 to 20 miles from it, stretching from Three Rivers downwards to the district of Quebec. These lands are in general covered with mixed timber, soft and hard wood. But the great difficulty, and what is always the grand obstacle to settlement, is the want of roads, and of easy means of communication with the interior, particularly in the northern part of the district, where the work of clearing is most backward for that reason. In fact, it is the most backward locality between Quebec and Montreal, for, at six miles from the river at this point between the districts of Quebec and Three Rivers, we find the forest, which extends as far as the limits of the Province. There is room there for thousands of settlers, but acclimated settlers, and not Europeans, who are not in anyway fitted for clearing the land. There is abundant proof of this. Our climate does not suit them, and the result is that they do not remain here long. We bring them here, partly at our own expense, and the benefit is reaped by the United States or Ontario. The best mode of settlement would be to keep the children of the soil; they are acclimated, and ask no better than to remain in the country, and are in many respects the best settlers. And what strikes all men of sense is, that we spend money uselessly in this way in agencies, &c., while if they were encouraged to remain here, they would soon settle on uncleared lands. It would be necessary to furnish poor settlers with all they need for a year or two, besides a free grant of land.

County of Maskinonge.

Ferron—Employment easily obtainable from lumbermen.

Julien and Bayeur—When the lumber trade is good, people can get good wages and steady work. At the present time lumbering is dull, and, consequently, there is very little work.

County of Ottawa.

Aylwin—Ready employment can be got with the lumbermen in the winter.

Duhamel—Good road through the country from Hull to River Desert, 100 miles.

Ellard—The only difficulty is the want of roads. Plenty of good land here for settlement.

PRINCE EDWARD ISLAND.

McNeill—The immigrant settling on the island is never at any distance from older settlers. Roads are wherever needed. No destructive animals in our forests. Farm labour can always be secured at reasonable rates.

Smith—No difficulties to immigrants with money. Plenty of good stores; churches of every name, and schools every three miles.

McKinnon—Immigrants coming here with small means would be obliged to take a poor-soil farm, with few advantages.

Callaghan and McPhail—The greatest drawback is the long and cold winter.

Sutherland—Good practical farmers would do well to come here.

McKenzie—An immigrant with a strong family and some money can live. The difficulty in obtaining manure is a great drawback.

Lea—Greenwood farms can be bought at from 50 cts. to \$2.50 per acre, and improved farms at from \$5 to \$20 per acre, according to location.

Benton—Living is cheap, taxes light, fair schools and easily made roads.

MANITOBA.

Hall and Morgan—No difficulties, if they have a little money and are willing to work.

Mackercher---Immigrants coming by Duluth should beware of dishonest railway officials, and at Fisher's Landing of three-card-monte men. At Emerson all farming implements can be reasonably purchased.

Waddell---Immigrants should be careful not to be led into buying unnecessary things. Only such things as clothing, provisions, grain, lumber, shingles, oxen ploughs, and a few edged tools, should be bought.

Robertson---Immigrants should arrive about the middle of May, so as to get thoroughly prepared for winter. Cattle and implements can be obtained reasonably. Lumber, from \$18 to \$25 per 1,000 feet.

FISH IN VARIOUS DISTRICTS.

Question 11.---What kind of fish are caught in the rivers and lakes in your district, and is there a plentiful supply?

ONTARIO.

County of Hastings.

Answers of Messieurs

Norman---Trout and bass; supply limited.

Nugent and Gunter---Speckled trout, salmon and bass are plentiful.

Cleake---In some localities brook-trout are plentiful. Red trout of a superlatively fine sort was caught in many of the lakes.

Wilson---The lakes and rivers are well stocked with salmon-trout, speckled-trout and perch.

Ray---The rivers abound with bass, perch, chub, eels, &c., and the lakes with trout of various kinds, bass, &c.

Lake---Trout, perch, eels and white fish.

Carswell and Bennett---Abundance of trout.

Kavanagh, Bentley, Hamilton and Parkhurst---Salmon, trout, bass, perch, and other small fish are plentiful.

Menzies---Supply of fish good.

Electoral District of Muskoka.

Sharpe, Doherty, Ashdown, Sirett, Ewing, Parker, White, Davidson, Burgess, McMurray, Tookey, McEachren, Tait, Fluker, Best, Lalor, L. & J. Armstrong, Dobbin, Fraser, Starrat, Beatty and Hill---The whole district is intersected by lakes and rivers abounding with all kinds of fish. Brook and salmon trout, white fish, bass, pickerel, maskinonge, pike, &c., are plentiful in the season.

Begg---Salmon trout, bass, white fish, herring, &c., are tolerably plentiful. Deer are to be found in the neighborhood, but are very rapidly exterminated by rapacious pot hunters and wolves. Severe restrictions should be placed on the former, and a bounty offered for the scalps of the latter.

Scarlett and Brown---Salmon and speckled trout are caught in large numbers in spring and fall.

Johnston---Lake Mukoka, Lake Rosseau and Lake Joseph abound with salmon, trout, bass, pickerel, white fish and herrings of the finest quality.

Brooks---There are a good many maskinonge, bass and pickerel in the lakes.

Wilcock---In different lakes the kind raises; some lakes have all kinds plentifully.

Ballantine---Trout the most plentiful and best.

Jarvis, McKenzie & Ross---Trout, white fish, bass, herrings, perch, &c. Supply not plentiful.

County Victoria.

McLaren & Hastings---Black bass and ling abound; there are also trout, white fish, eels, herrings, &c.

Fell---Maskinonge, bass, &c., supply decreasing.

Staples---Maskinonge, black bass, perch, eels and small herrings. Lots of suckers
McLaughian---Besides the smaller fish we have salmon trout, maskinonge and
black bass.

Spring and Reagine---Trout, white fish, maskinonge, pickerel, bass, &c., are
plentiful. Lots of game.

Hovey---Lunge and bass scarce.

County of Perth.

McDermott---Trout and white fish.

Ford---Bass, trout, chubs and shiners, scarce.

Provisional County of Haliburton.

Langton---Salmon trout, black bass, eels, herrings, and white fish are plentiful.
Bloomfield---Excellent salmon trout. In the waters of the Madawaska and
Severn are brook trout.

County of Renfrew.

Coleman and Coburn---A good supply of fish such as pike, pickerel, black bass,
trout, white fish, &c., can be obtained from our different lakes and rivers.

Mansell, Culberton, Black and Bellefeuille---Various kinds, but not plentiful.

Sparling---Mostly pike. Supply pretty good.

County of Peterborough.

Hartle---Trout and bass, but not very plentiful.

County of Bruce.

Allen---Trout, white fish and herring are plentiful.

Spragg---Plenty of salmon trout and white fish in the lake (Huron). Numerous
small inland lakes abound with pike, bass, sunfish and perch.

QUEBEC.

County of Joliette.

Levesque ---Speckled and grey trout, white fish and fresh water herring in the
lakes; carps, maskinonge, and pike in the rivers.

Pagé---All kinds. Supply decreasing.

Martel---Great quantities of red or salmon and grey trout.

Bonin and Daly---Trout, pike and white fish not very plentiful.

Woods---Trout, white fish and suckers not plentiful.

Shields and Gauthier---Trout most plentiful.

Robitaille---Trout in small quantities.

Cornellier---In the lakes trout, white fish, and many other small fish.

Neveux---Carp and trout in small quantities.

County of Argenteuil.

Stamforth and Munro---Trout and pike abound.

Filion---Pike, trout and maskinonge, supply plentiful in rear townships.

G. and R. Meikle, McCallum and McArthur---Trout of different kinds are
plentiful.

County of Contcalm.

- Wm. Copping--Trout are plentiful.
 red McCarthy--There is a plentiful supply of fish in our rivers and lakes, white and trout, pike, pickerel and white fish abound.
 Green--Plenty of trout and white fish.
 Lepine--Red trout in abundance.
 J. G. Copping--Mostly trout.

County of Champlain.

Beaudry--Some of the rivers and lakes abound with pike, maskinonge, mullet trout, &c.; great profits result from the Tom Cod Fishery, which is carried on from the 20th October to the 20th January, on the north shore of the St. Lawrence.

County of Maskinonge.

- Ferron--Trout, sturgeon and eels.
 Julien--Trout and perch in large quantities.
 Bayeur--River, lake and salmon trout in abundance.

County of Ottawa.

Aylwin, Duhamel and Ellard--Salmon and brook trout, white fish, black bass, pike, pickerel, &c., are plentiful.

Prince Edward Island.

- Mutch--Herrings, trout and salmon.
 McNeill--Trout; in many of our rivers and bays the finest oysters are found in considerable abundance; along the shore of the district are some of the best fishing grounds for mackerel, cod, salmon, &c., in the Dominion.
 Brown--Trout in most of the rivers, but the supply is decreasing; salmon in the fall come up the rivers.
 Breanon--Salmon, herring, smelt, eels on the sea shore, codfish and mackerel in abundance in the summer time; trout in the rivers; fish very plentiful and a first class market.
 McKinnon--Herring, trout and eels.
 McGregor--In their season there are herring, mackerel, alewives, trout, &c., in the rivers and creeks.
 Carroll--Trout, gaspereaux, eel and a few salmon; supply limited.
 Callaghan--Mackerel, codfish and herring in great abundance during the summer season, also bass and trout in Miminigash River.
 Sutherland--Codfish and mackerel are caught off the coast in large quantities, various other kinds in the rivers.
 Doyle--Trout, salmon, codfish, herring, mackerel, &c., in great abundance.
 Doughort--Trout, smelts, oysters and lobsters.
 McPhail--Trout, salmon, smelts, gaspereaux and herrings caught in abundance in Northumberland Straits.
 Martin--Only trout.
 Murphy--Trout and salmon in abundance.
 Tuplin--Excellent oysters, trout in limited quantity.
 Lea--Mackerel, cod, hake, oysters, lobsters, salmon, and trout are caught around the island in considerable quantities.
 Robertson--Trout, salmon, gaspereaux, herring and codfish.
 Beaton--Sea-fishing for cod, hake, mackerel, herring and spring and fall lobsters; river fishing for trout, salmon and oysters.

MINES AND MINERALS IN VARIOUS DISTRICTS.

Question 12.—Are there any minerals and mines in your district, and to what extent are they developed?

ONTARIO.

County of Hastings.

Answers of Messrs.

Norman, Nugent, Gunter, Tait, Wilson, Ray, Bennett, Hamilton and Parkhurst—The district possesses such minerals as lead, iron, copper, &c., but they are yet undeveloped. The want of a railway retards the development of our mineral resources.

Cleake—I have frequently been shown specimens of lead and copper ores, the latter very rich. Gold and silver have been met with in paying quantities according to the analysis made by some of the Toronto Assayers. A deposit of iron has been traced for two miles at one spot, at least, 100 feet in width, being of the magnetic sort. For want of a railway this and everything else requiring transport is valueless.

Kavanagh—About 20 or 30 miles to the south of us there are large deposits of iron and other minerals yet undeveloped.

Menzies—Any quantity of iron ore and probably other valuable ores.

Electoral District of Muskoka.

Doherty, White, Lalor, Beatty and Hill—Iron in abundance, but it is not developed.

Ashdown—Coal, lead, tin, mica and magnetic iron. No mining.

Sirett—Specimens of iron and copper have been found in the neighbourhood, but it is unquestionable whether they exist in paying quantities.

Ewing, Parker, McMurray, Brooks and Best—It is generally thought that there are mineral. No mining.

County of Victoria.

McLaren—Black lead, marble, free stone, and lithographic stone are found. Iron is plentiful about 14 miles from here.

Fell—Iron, lead and marble are abundant, undeveloped.

Hastings—Iron is very plentiful, also lithographic stone, free-stone and marble. Will be opened up the coming season.

McLaughlin—Gold, silver, lead, copper, iron, graphite, Aberdeen granite, free-stone, white and variegated marble and lithographic stone are here in abundance only requiring energy and means to be developed.

Hovey—Iron and lead are plentiful. Marble, granite, free stone, lithographic stone and lime stone, undeveloped.

Reazin—Any amount of iron and lead, but not worked. Same stones as in last answer.

Provisional County of Haliburton.

Langton—There are mines of iron, lead, copper and a quarry of marble. Steps are being taken to work them on a large scale, particularly the marble.

County of Renfrew.

Coleman and Coburn—Minerals, but not developed.

Black—Iron and lead undeveloped. Any quantity of limestone.

QUEBEC.

County of Joliette.

Martel--There are minerals, undeveloped.

County of Argenteuil.

Filion--There are iron and lead mines in the County, but they are idle.

McCallum---Plumbago and mica have been found, and small quantities exported.

County of Montcalm.

Wm. Copping--Gold, but not in any quantity.

McCarthy--Iron, gold and silver, undeveloped.

Green--Iron mines, but not worked.

Lepine--Minerals, but no mines.

J. G. Copping--One mine in operation here.

County of Champlain.

Beaudry--Iron ore in abundance, but little worked. The next generation, more advanced, perhaps, than we are, will develop the mineral resources of our country.

Houle--Iron abounds, and is worked by the Radnor forges on a large scale.

County of Maskinonge.

Ferron--Iron exists, undeveloped.

County of Ottawa.

Aylwin, Duhamel and Ellard--Iron, galena, lead, phosphate of lime, and coal; undeveloped.

District of Three Rivers.

Neault--The northern part of the District is rich in iron ore, undeveloped.

PRINCE EDWARD ISLAND.

McGregor--No mines or minerals, but we have what the farmer covets, rich deposits of matter for manure. Fresh water "swamp mud" is found in many parts, and in considerable quantities. It is well adapted for both potatoes and oats. Salt "marsh mud," when mixed with earth and applied with lime, produces good results. In the rivers and creeks are found extensive deposits of oyster or "mussel mud," composed of decayed oyster and mussel shells, sometimes over fifteen feet in depth. It is dug in the winter, by means of a machine constructed for the purpose, and worked by one horse. From 20 to 40 loads are put to the acre. For hay, it cannot be surpassed.

MANITOBA.

Harlow and McLean--Coal has been discovered.

DISTRICT OF ALGOMA.

REMARKS OF MR. PILGRIM.

The two following replies to these questions were ordered to be embodied in the Report without being classified :

1. Henry Pilgrim, of Sault Ste Marie, District of Algoma, Ont., Gentleman.
2. In May, 1834. Address before leaving England :—HENRY PILGRIM,

Southampton, Hants.

3. I think the District of Algoma is exceedingly well adapted for successful settlement, and that the view of its future is exceedingly bright and hopeful to the settler; for when obtaining railroad connection with Eastern Ontario, Algoma will fill up rapidly; so rapidly as to astonish those who hitherto have thought but little (or perhaps none at all) of this most important part of Ontario. Before our railroad eastward is built, there can be little doubt but the Americans will have completed their railroad connecting Sault Ste Marie, U.S., with Duluth, and no sooner shall these two roads be opened than the people of Ontario will be still more astonished at the immense trade which will at once pass over the line. The electoral district of Algoma contains over thirty thousand square miles. Cannot give the population accurately, unless there had been time to communicate with all the municipalities; but should think it to be about twelve thousand. The Crown lands immediately around Sault Ste Marie are almost all taken up. What are left can be obtained as "free grants," or at twenty cents per acre. There are large tracts of Indian and Crown lands north and east of the Sault; and should the Indian Department carry out their promise of making a road through the Batchawana Reserve, then a large surveyed tract of some three hundred square miles, with good soil and timber, and beautifully watered, will be made easy of access to the intending settler. Good surveyed agricultural lands can also be obtained, in the Bruce Mines and Otter Tail Lake sections, on the Island of St. Joseph, at the Thessalon, Missisqua and Spanish Rivers, and on the Manitoulin Island, etc.

I think that this year there will be an average of at least one Canadian steamer leaving some port below every day for Algoma, and still more frequent communication with Sault Ste. Marie, as the very numerous American steamers bound west must all pass that port.

Passengers for Manitoulin Island and the main-land coast to Thessalon should embark at Collingwood or Owen Sound.

Passengers for Bruce Mines and Island of St. Joseph should embark at Collingwood, Owen Sound, Windsor, or any port on the east coast of Lake Huron, at which the Windsor line of steamers touch.

Passengers for Sault Ste. Marie and the north shore of Lake Superior can take any steamer sailing from any port between Windsor and Collingwood.

All the steamers carry freight, and some of them proceed to Duluth. During winter, Sault Ste. Marie can be reached from below (*via* United States) in three days if all things conduce towards making a very favorable trip, but the average time might safely be called four or five days; going below by our own north shore route the trip would average about nine days, but could only be made by persons accustomed to snow-shoes.

4. On an average about 25th of April.

5. Wheat, oats, barley, hay, buckwheat, peas, beans. There are no statistics to enable me to give average yield per acre. With regard to wheat can say that in one instance at the Sault, which came directly under my own observation, spring wheat, badly put in, and with too little seed, gave nearly twenty bushels per acre, weighing sixty-two pounds to the bushel. Until lately but little wheat has been sown, there being no grist-mill. Now we have a mill the area sown will increase every year. Our crops of potatoes, turnips, mangel-wurzell, in fact, all descriptions of roots,

garden and otherwise, are so good that it would be difficult to find any part of Ontario that could beat the root crops of this district. Cabbage, cauliflower, brocoli, celery, Asparagus, carrots, parsnips, &c., are most successfully cultivated.

6. Yes, most certainly so; the growth of clover and all grasses is very luxuriant, and there exists at present large ranges of unenclosed indigenous grass lands. Stock should be under shelter and fed about five months in the year.

7. When considering the whole of the Electoral District of Algoma, the proportion of well timbered lands would not be so large as in those portions that have already been spoken of as being ready for settlement, and I should say that, taking the whole of said Electoral District, the good, well timbered, agricultural lands would not amount to more than one-fifth of the whole, but the remaining four-fifths, though rough, and either destitute of timber or indifferently timbered, and unfit for farming, must not be despised, as that portion of the country contains large areas most favorable for explorations for copper, iron, galena, silver, &c., and, in all probability, will eventually become a rich and busy mining country, and the most important part of the district. The growth on well timbered lands consists of oak, red and white, maple, hard and soft, curly bird's-eye maple, black and white birch, elm, pine, red and white, hemlock, cedar, spruce, balsam, tamarac, poplar, balm of gilead.

There are some twelve saw-mills in the Electoral District, three-fourths of the number worked heavily before the great depression in the lumber trade came.

8. Yes; the agricultural portions of the District are capable of successful farming. There are hardly any tenant farmers, and even the few there are only rent on a small scale, the reason being that every settler is able to obtain land for himself, and almost every one prefers to do so.

Persons of moderate means could, I think, easily purchase partially improved farms.

Better not to cite cases of individual success, for they are so numerous in Algoma that very many names would have to be omitted, as I can say that every industrious settler prospers.

9. An immigrant with sufficient means to preclude the necessity of working for others, at any rate, until he has established his home, could, if single, commence with two hundred dollars; if with wife and child, would require five hundred dollars.

10. I know of nothing more of any particular interest to immigrants; there are no difficulties in the way of settlement that cannot be easily overcome, save our one great obstacle and drawback---I mean the want of roads.

11. The rivers and lakes of Algoma contain fish in very great abundance. In the rivers are found speckled trout, (often white fish), sturgeon, pike, maskinongé, black bass, perch, &c., &c. In the lakes---salmon-trout, white fish, sturgeon, bass---black and rock, pike, maskinongé, perch, mullet, catfish, pickerel, herring, &c., &c.

12. Yes; certain ranges contain copper ores, native copper, iron ores, galena sometimes heavily charged with silver, native silver, &c. The Bruce and Wellington Mines were worked for many years on a very large scale, and having their own costly smelting works attached, sometimes employed nearly five hundred men. The village around the mines often contained a population of considerably over one thousand souls; but the low price of copper in England for the last few years has induced the Company to close the mine for the present. A deposit of iron near Bruce Mines is being opened by Mr. Stobie. A lode of galena containing silver is also opening under Mr. Campbell.

Very numerous lodes are known throughout the District that remain unopened, untried, from the impossibility of obtaining, in these hard times, the large amount of capital required to test a new mining country.

The rich lode of Silver Islet, and other lodes in the Thunder Bay District, is better to leave to be reported on by some resident of that District who is fully acquainted with its mining operations.

Agents for the disposal of Crown and Indian lands are located as follows:---Manitowaning, Sault Ste. Marie, Bruce Mines, Prince Arthur's Landing, Ottertail Lake.

County of Hastings.

Reoprt of a Committee appointed by County Council of County of Hastings, to consider and reply to questions submitted by Dominion Immigration and Colonization Committee.

3. The County of Hastings contains about 3,600 square miles. The southern part is very fine land, and highly cultivated. The more northern part is rough, though interspersed with fine arable belts. Population, 54,000.

Belleville, on the southern border, is the principle market town, and is beautifully situated on Bay of Quinte, an arm of Lake Ontario. Grand Trunk Railway passes through it, and two railways are now under construction, leading north and north-westerly from it. One is called the Belleville and North Hastings; the other, Grand Junction.

There are large sections of good land in the northern part of the county well suited for settlement by a class of men who are prepared to "rough it" for a time.

4. The seasons usually open so that ploughing and seeding can be carried on about the middle of April.

5. The kind of crops grown are, wheat, barley, peas, rye, oats, some corn, potatoes, turnips, mangold wurtzels, carrots and beets.

Yield per acre—

Wheat.....	from 15 to 20 bushels
Rye.....	" 20 to 25 "
Barley	" 30 to 45 "
Peas.....	" 15 to 20 "
Oats	" 40 to 50 "
Potatoes.....	" 100 to 200 "

6. This district is considered among the best in Canada for raising stock. The draw-back is the long winter. Cattle have to be fed about six months, housed four months; but cattle are remarkably healthy, and free from diseases of all kinds. Land rolling and well watered.

There was shipped at the Port of Belleville, in 1876, 4,762,518 lbs. cheese; and large quantities of butter made.

7. About half of the country is timbered with principally, map'le, beech, elm, bass-wood, oak and hemlock on the highlands; on the lowlands, elm, cedar and ash. All through the country are to be found groves of pine. Lumbering has been carried on through the southern part of the county to considerable extent; but now for the want of material, is more confined to the northern part of the county. Many thousand of logs are floated annually down the Rivers Trent and Moira, which empty into the Bay of Quinte; and also down the branches of the Ottawa River to Ottawa City, where they are manufactured into lumber. Latterly more attention has been given to square timber. This is shipped to Quebec.

8. The soil and other natural advantages are generally good for farming purposes. The principal difficulty is the long winter, while it also has its advantages.

Renting farms is, of course, more practiced in the older settled parts of the county. It is an uncommon thing to see a farm rented in the newer settled parts. We don't consider it desirable to rent in this country *as a rule*, tho' we know many cases of great success by tenant farmers.

R. Somers, of Lot 21, in the 2nd Concession of the Township of Rawdon, in this county, commenced with almost nothing and has become comparatively wealthy.

Geo. Johnson, of Lot 34, 3rd Concession of Township Sidney, also very successful.

Wm. Johnson, Lot 27, in 1st Concession of Sidney, also attained a handsome competence. As a rule, however, the tenant remains but a very few years as a tenant; he generally buys.

9. To settle in the older parts of the county as a tenant or purchaser, the immigrant should have from \$1,000 to \$3,000; in the newer parts, which would be the northern parts, from \$50 to \$500, with which he would require a good, hardy consti-

tution, with plenty of pluck and perseverance, *but with these he would be almost sure of success.*

10. The greatest difficulty would be want of experience in the habits of the people, and mode of prosecuting the work. Added to this would be the difficulty of getting immediate employment at what we here consider good wages, skilled labour being always considered preferable by all classes of employers.

But "pluck and perseverance" would overcome these difficulties, and, as a rule, honest, earnest, faithful labour is wanted, even though for a time unskilled.

If a farm is to be rented or bought, it would be well for the immigrant not to be in too much hurry, but locate himself at some point, say Belleville, and there "look around." While engaged at this, it would be well if he engaged with a farmer, even at a low rate of wages—practical experience would be a great gain. If going with but little capital into the newest parts, he had better "hire out" to some farmer for a time. As a rule, this class are the most successful. It may be "pinching times" for a while, but in no place "where there is a will" is there more likely "to be a way," than in this part of Canada. Generally, there is a kindly feeling by all classes towards the man who *tries* to get on, but it is the idle and shiftless who get but little, if any, sympathy. It is the rule with the honest and industrious to succeed.

11. The streams are generally well supplied with fish. Our lakes and rivers have maskinonge, pickerel, pike, bass, some salmon, which are being fostered and protected by our fishery laws. Many of our small streams abound in trout.

12. There are several fine mines in this county.

In Madoc Township:—

Moore Mine.....	69	per cent,	magnetic and hematite.
Seymour Mine.....	70	do	magnetic.
Thomson Mine.....	64	do	do
Nelson Mine.....	65	do	do
Dufferin Mine.....	66	do	do
Wallbridge Mine,			red hematite, rich.

In Marmora Township:—

Blairton Mine.....	64	do	do
Maloney Mine.....	60	do	do

Of the above mines, only the Seymour and Blairton have been worked. The others are merely opened. A railway, Belleville and North Hastings, is being built, which, connecting with the Grand Junction, makes an outlet from these beds of ore to Belleville water communication. Large quantities of the Blairton ore has been shipped to the United States. The Seymour ore has been smelted successfully at the village of Madoc by the party whose name the mine bears.

The Blairton ore also has been smelted at Marmora village.

In several other townships, viz: Elzevir, Tudor, Lake and Limerick, have iron deposits been discovered.

No doubt when railway communication reaches this district, it will be found in many other sections.

Gold, lead, copper and other metals exist in this county, but whether in paying quantities has not been yet fully tested.

The Toronto Gold Mining Company exhibited at the Centennial Exhibition, at Philadelphia, samples of crushed gold ore, concentrated ore, from their Marmora mine; also, the Gatling Gold Mining Company exhibited a small bar of gold, a small bar of silver, from their Marmora mine. Both these companies claim the ore to be very rich. The difficulty appears to be a process to work it.

Various other kinds of valuable minerals exist here; marbles, lithographic stone, whet stones, limestone, suitable for building, slate, &c.

In conclusion the Committee would submit, that they believe much harm has been done by too glowing accounts of what the immigrant might expect in the way of success; at the same time more harm has been done by experiments being made in farming by parties who never tried it practically, and who were totally unfit for

it by former business habits, and also by the statements of parties who have made but a short sojourn in the country.

In the finest countries in the world *all* don't succeed, but the exception is the rule with us. When we say succeed we mean secure a comfortable living.

Canada, just now, is labouring under the general depression of trade, but, comparatively speaking, her resources for recuperation are larger in proportion to her population than any nationality in the world.

A. F. WOOD,
Ex-Warden (Chairman.)

BALTIS ROSE,
Ex-Warden.

THOS. WALKER,
Warden.

BILLA FLINT (Senator),
Ex-Warden.

SHIRE HALL, BELLEVILLE,
COUNTY OF HASTINGS,
March 14th, 1877.

MANITOULIN ISLAND.

A number of answers from Manitoulin Island came too late for classification with the rest. The information they contain is pretty fully given in the letters written by Messrs Phipps, Simpson, Bampton, Bowker and Day, of Algoma District. These answers were from the following parties:—

Samuel R. McKewen, Tehkummah.
Thomas Gorley, Manitowaning.
James M. Fraser, Gore Bay.
John Skippend, Sen-Sheguiandah.
George Brockitt Abrey, Little Current.
Robert A. Johnston, Little Current.

Replies were also received from the following parties after the Report had been in the printer's hands:—

John Bailey, Head Lake, Victoria Co., Ont.; D. B. Campbell, Harrington, Argenteuil Co., Que.; D. McTavish, Harrington, Argenteuil Co., Que.; Wm. Fleming, Aspdin, Muskoka, Ont.; George Kelcay, Dunchurch, Parry Sound District, Ont.; James Dickson, Prince Arthur's Landing, Ont.; Rev. R. Delarge, O.M.I., Maniwaki, Ottawa Co., Que.; Ambroise Majeau, Joliette, Que.; J. B. Massicotte, J.P., St. Prosper, Que.

The information given, for the most part, is contained in the questions classified.

INDEX TO EVIDENCE.

	PAGE
ALGOMA, DISTRICT OF—Remarks of Mr. Pilgrim	250
ANSWERS TO QUESTIONS.—General information for Immigrants.....	203
Questions.	
Parties answering and Addresses.	
Adaptability of Districts for Settlement.	
Seasons of Ploughing and Seeding.	
Crops grown.	
Stock raising.	
Timber.	
Farms.	
Means for settlement.	
Fish.	
Mines and minerals.	
BANNATYNE, A. G.—Member of the House of Commons of Canada....	139
Manitoba a field for settlement.	
Fares.	
Crops.	
Grasshoppers.	
Flax.	
Price of provisions.	
Yield of wheat.	
Freights.	
Price of cordwood.	
The grasses	
Fruit trees.	
CHRISTIE, T—Member of the House of Commons of Canada ..	97
County of Argenteuil.	
Extent of land for settlement.	
Suitability for immigrants.	
DENNIS, JOHN STOUGHTON—Surveyor-General of Dominion Lands.	
Land system of Manitoba.	
Homestead rights.	
Forest trees.	
DONALDSON, JOHN A.—Dominion Government Immigration Agent, Toronto.	57
Placing Immigrants in Ontario.	
Wages of do do	
Nature of engagements.	
Employment for immigrants.	
Farms suitable for tenant farmers.	
Care of immigrants.	
Miss Rye's and Miss Macpherson's children.	
Horses for England.	
Meat and cattle trade.	
Free Grant Districts.	
Letter proposing plan of immigrant settlement.	

	PAGE
FULLER, RICHARD,—Contractor for Government Telegraphs in the North West	178
Timber facilities of North-West.	
Observations of country.	
Suitability for settlement.	
Resources.	
HILL, JAMES J.—Of the Red River Transportation Company.....	157
Cost and facilities of Transport to Manitoba.	
Freights.	
Soil of the Red River country.	
Northern Wheat.	
Minnesota Flour.	
Yield of the land.	
Navigation of Red River.	
The grasses.	
Rapid growth of trees.	
Grasshoppers and modes of destroying them.	
LETTERS TO THE COMMITTEE.....	199
Mr. Simpson, J.P., and Mr. Bampton, on the Algoma District.	
Mr. Phipp, Indian Land Agent, on Manitoulin.	
Mr. Bowker, Crown Land Agent, on St. Joseph's Island, &c.	
Mr. Day, C.L.A., on Colonization.	
LETTERS TO THE COMMITTEE.....	99
Mr. Cimou, M.P.	
Rev. Father Racine.	
Hon. Mr. De Boucherville.	
On the Saguenay District.	
Exemption of settlers effects—The Act.	
LE SAGE, SIMEON.—Assistant Commissioner of Agriculture.....	17
Province of Quebec as a field for immigration.	
Kind of inducements offered.	
Wages of immigrants.	
Extent of Land for settlement.	
Timber in Province of Quebec.	
The Saguenay District.	
Minerals.	
Beet-root Sugar.	
Price of farms.	
Seasons in Quebec.	
LOWE, JOHN—Secretary of Department of Agriculture.....	12
Operations of Department.	
Immigration to Canada.	
Do do United States.	
Emigration from Great Britain.	
Cost of Immigration.	
<i>Per capita cost</i> of Immigrants.	
Miss Rye's and Miss Macpherson's children.	
The Meat Trade.	
Repatriation.	

	PAGE
LOWE, JOHN—Further Evidence.....	35
Immigration Agents.	
London Office.	
Continental Agents.	
Immigration Publications.	
Capital value of Immigrants.	
Emigration from United Kingdom.	
Tenant Farmers.	
The Meat Trade.	
Immigration from Europe.	
SHANTZ, J. Y.—Chairman of Mennonite Committee, Ontario.....	102
Mennonite Settlements in Manitoba.	
Impressions of Manitoba.	
Do of Neighbouring States.	
Richness of the Land.	
Mode of settling in Villages.	
Mode of warming.	
Cost of Mennonite Immigration.	
The Loan.	
Grasshoppers.	
Water.	
Habits of Mennonites.	
Success of the Settlement.	
SPENCE, DAVID—Secretary of Immigration Department, Ontario.....	46
Lands Available for settlement in Ontario.	
Statistics of settlement.	
Free Grant Lands.	
Assistance to Immigrants.	
Wages.	
Price of Farms.	
Publications.	
SPENCE, THOMAS—Clerk of Legislative Assembly of Manitoba.....	82
Facilities for Immigration to Manitoba.	
Best Season to start.	
Grasshoppers.	
Market prices.	
Timber.	
The Saskatchewan.	
Immigration.	
Healthiness of Climate.	
Water, Coal, and Iron.	
Products.	
SUTHERLAND, HUGH—Officer of the Public Works Department.....	125
The North West.	
Climate.	
Facilities of Communication.	
Navigation.	
Suitability for Settlement.	
The Saskatchewan.	
Timber Supply.	
Rainy River.	
Buffalo.	
The Indians.	
Keewatin.	

REPORT

OF THE

SELECT COMMITTEE

APPOINTED TO

INQUIRE INTO THE PRESENT CONDITION

OF THE

CIVIL SERVICE.

Printed by Order of Parliament.



OTTAWA:

PRINTED BY MACLEAN, ROGER & Co., WELLINGTON STREET.

1877.

REPORT.

The Committee appointed to enquire into the present condition of the Civil Service, and the method of nominating and examining candidates for appointment with a view to ascertaining whether better means cannot be adopted for securing the appointment of properly qualified persons, and the general efficiency of the Service, with power to send for persons, papers and records, and to report their observations on the subject referred to them, together with the minutes of evidence taken before them, by leave to report.

Your Committee regret that, owing to the unusual delay in bringing down the return to an address of the House for statistics of the Civil Service, they have not been able to consider and report upon those statistics.

They have, however, orally examined several of the Deputy Ministers of the different departments and other gentlemen of high standing in the service of the Dominion, and the Deputy Minister of Education for the Province of Ontario. Some of these gentlemen also submitted written memoranda on the subject referred to the Committee. To all these witnesses the Committee are indebted for much valuable information given with unvarying readiness and courtesy.

Their evidence is submitted in the appendix to this report. That evidence and the finding of the Committee are to be understood as referring to a lengthened experience under different Governments.

The Committee have also considered as fully as time as would allow the system in force in the Civil Service of Great Britain and that of the Colony of Victoria, Australia, and several suggestions made by members of the Committee.

In regard to the present condition of the Service and the method of nominating and examining candidates for appointment, your Committee find as follows:

The matters referred to, and the general economy of the Service are regulated to a great extent by statute. The Act provides rules for appointments, promotions, superannuations and other details of management. It also establishes a Civil Service Board composed of permanent heads of Departments to conduct the prescribed entrance examinations.

In carrying out the provisions of the Act great irregularities are found to have existed. The entrance examinations which were intended to secure the efficiency of employes have been only applied at all to candidates for the inside service of the Departments, and even in regard to these they appear to have been almost a matter of form. The subjects have been very elementary and the test is not nearly equal to that applied to scholars entering the high schools of Ontario, and is said by the Chairman of the Board to be intended merely to exclude those who are utterly ignorant and quite unfit for the Service. It certainly appears to be ill-calculated to do more than this and quite insufficient to ensure the real efficiency of those who pass. Such as it is, no power rests with official heads of Departments or the Civil Service Board, to compel candidates to undergo it. These are examined only when they make voluntary application or are sent to the Board by the Minister who appoints them. As a matter of fact the provisions of the law in this respect have been very generally violated ever since its establishment, compliance with them having been the exception rather than the rule.

The practice of making appointments by political patronage was considered by most of the witnesses to be bad both in principle and results. Some, however, thought it might work well enough if checked by a proper entrance examination and system of probation.

In the outside service with the exception of the Inland Revenue Department and the engineering branches the exercise of political patronage seems to be almost unchecked, and its results correspondingly bad. Except in the departments men-

tioned there is no departmental examination of nominees, and no other guarantee of their suitability in any respect than the political recommendation on which they are appointed.

This system has been found to lead to grave practical evils. In the Customs Department for example, it was testified that not only a good business education but certain special qualifications were required to enable officers to act efficiently as appraisers, a duty which is performed at all, but a few, of the largest ports by the collector himself. Some acquaintance with chemistry is often required for this duty, and at least a commercial knowledge of goods is absolutely necessary. No means are now taken to ensure the possession of either of these qualifications, and men of no experience are often placed in very responsible positions. The Deputy Minister of the Department believes that loss to the revenue often results from the inefficiency of officers so appointed.

In the engineering branches also down to a late period, the evils of political nomination have been strongly felt. Mr. Sandford Fleming, Chief Engineer of the Canada Pacific, and formerly of the Intercolonial Railway, states that serious loss to the public has resulted from the blunders of incompetent men thrust upon the service and employed on important works. That gentleman states, however, that he has lately been allowed to exercise a more careful system of selection and promotion, and that his branch of the service is now in a more efficient condition than ever before.

In regard to the class of men obtained for the inside departmental service by the present system, the testimony of the witnesses varied. The official head of one of the largest departments said that they were not up to the average of the young men who enter banks at much lower initiatory salaries and furnished little material capable of being trained for the higher positions. Most of the other witnesses declared themselves fairly well satisfied with their present staff. It was generally admitted, however, that the same amount of work could be done by a smaller number of highly efficient men.

The discipline of the Service was generally stated to be good enough as a matter of fact, though the rules for enforcing it seem rather defective. No power of inflicting any real penalty rests with the official heads of Departments, who are, nevertheless, responsible for the actual performance of the work and the discipline of their employes. Political influence has also been felt in this connection, though most generally, in the retention of men who are incompetent rather than insubordinate. It is stated that when a man is once appointed, it is almost impossible to get rid of him for any less cause than notable misconduct.

In regard to promotions, your Committee find an entire absence of any system in the outside service of the Department, except in those already mentioned, as exercising some special care in the selection of officials.

Employés remain as a rule in the positions to which they are first nominated, vacancies being filled by new appointments from outside the service, made, as usual, by political influence. Perhaps the most glaring instances of the working of this system may be found in the Customs and Post Office Departments, in which all the prizes go to outsiders, and those who enter in the lower grades have no prospect of promotion as a reward for their ability or zeal. The Committee agree with all the witnesses in condemning this practice. It is bad both from its discouraging effect on those in the Service who have earned their promotion, and from the inexperience of most of those so brought in.

In the inside service a system of promotion is practised on the basis laid down in the Act, but with frequent suspensions and violations arising from political causes.

Referring to the provisions of the Act, the Committee considers that the regulation which compels officials to spend a certain term of years in each of the lower grades, without regard to their efficiency before being promoted, and which is coupled with a rule of promotion by seniority alone, is injudicious. It keeps superior men too long at mechanical work, which could be done as well by others, and thereby tends to unfit them for higher duties. It takes away also that stimulus to exertion

which would be afforded by the hope of hastening their promotion. As the maximum of efficiency cannot hasten that event, and only glaring misconduct can retard it, there is a strong temptation to employés to be content with the minimum of exertion. Its effect in keeping men for many years on the lower salaries, insufficient for the proper support of themselves and families, is also found to be injurious to their character and self respect. The evils arising from the introduction of outsiders have also been felt in this branch of the Service.

From all these facts in regard to promotion as at present practiced, it is found to follow that the Service is not attractive to the class of active and intelligent young men who should be obtained for it, nor always able to retain such of that class as do enter. It was stated in evidence that the banks could obtain better men at initiatory salaries of from \$250 to \$300, with prospects of promotion, than the average of those who can be induced to enter the public service at \$400 a year, under the present system.

Generally speaking, political influence has been found to interfere more or less in the working of all branches of the Service, and always with bad effect.

The Committee conclude, from the foregoing considerations, that the condition of the Civil Service has not been, and is not, satisfactory; that many of the most important provisions of the law in respect thereof have been systematically violated; and that that law is, in many particulars, insufficient to secure the highest efficiency of the service. Many valuable suggestions for reforms in the Service were made by the witnesses examined, which will be found in detail in their evidence, and most of which the Committee were able to agree with. Chiefly on the basis of these suggestions, they are prepared to make the following recommendations:—

As a general principle, appointments, promotions, and the whole management of the Service should be separated as far as possible from political considerations. The Service should be looked upon merely as an organization for conducting the public business, and not as a means of rewarding personal political friends. The attempt should be made to render it a *profession* calculated to attract the best ability available, and to afford a due reward for the possession and exercise of first-class business and administrative capacity.

The Committee believe that the following reforms would tend to obtain such results:—

Recommendations for appointments should be in the hands of a Commission composed of gentlemen of highest qualifications, outside the Service.

The selection of employés should consist of two processes: Selection for trial and probation; and no appointment should be confirmed unless both of these ordeals have been satisfactorily passed through by the candidate.

The opportunity of being taken on trial should be offered freely to all applicants of the proper age, who have established their character and soundness of health to the satisfaction of the Commissioners.

All such applicants should be submitted to such an examination as would thoroughly test their possession of ordinary intelligence and education, that is, one considerably more severe than that which is at present theoretically required.

Some means of choosing the number actually required from amongst those who have thus proved their fitness for employment will be necessary. This must be done by personal selection by the Commissioners, or by competition. The former method is open to the risk of favoritism, which it is desired to avoid, and further open to objection on account of the imperfect knowledge the Board would have of the individuals before them. A selection according to standing at this or, preferably, at a subsequent and more severe examination, seems therefore the best practicable course.

The men thus chosen should not be considered as having any claim to permanent employment till they have shown their practical efficiency on actual trial. Their appointment should be conditional on their having earned a favorable report from their superiors in the Department at the end of a certain time.

In regard to competitive selection, the opinion of the witnesses differed. Only

one expressed satisfaction with the present system of nominations. Others considered a qualifying examination of nominees sufficient. Others again were of the opinion that no other means of getting rid of political influence and securing the efficiency of employees existed but that above recommended. The majority admitted that such a scheme would be a great improvement on the present system, if combined with probationary appointment. The latter provision is one which all agreed in considering necessary.

The question of promotion involves several considerations. In the first place, there is a general agreement of the witnesses that promotions to vacancies, instead of new appointments, should be the rule, subject to such exceptions as the necessities of the service may compel. Such cases should be considered as special, and the reasons for resorting to outside material should be freely stated at the time of making the appointment.

It would be advisable to grade the service in departments where the nature of the work will permit, in such a manner as to separate the mechanical from the higher duties, and to confine promotion in rank to the class of officers engaged in the performance of the latter. Employees in the lower class might be rewarded by periodical increases of salary up to a certain point, if found deserving of it.

Promotion should proceed *primâ facie* on the ground of seniority, unless a junior be reported as better qualified for the position, with full reasons for such report. There should not be any, or, if any, a very short compulsory term of service in each class. This rule should apply to both the inside and outside service.

Some of the witnesses thought it advisable to consolidate the lower grades of the inside service, in those departments where the work is reasonably similar, into one body, for purposes of promotion, allowing a man to pass from one department to a higher position in another. This would remedy the inequality in the rate of promotion between the larger and smaller departments.

In some departments, too, it might be advisable to allow promotion from the inside to the outside service, and *vice versa*. This was specially brought under the notice of the Committee by the Deputy Postmaster-General. Nearly all the prizes in that department are in the outside service, and the work is so similar that the same experience would serve for both.

The question of making departmental examinations a necessary preliminary to promotion was thoroughly discussed with the witnesses.

In one Department, that of Inland Revenue, such a system was found to be to some extent in actual operation. The evidence of the Commissioner and Assistant Commissioner went to show that an employé's knowledge of Departmental duties could be very thoroughly tested by examinations, even in some cases to which they might not at first sight seem applicable. A special class of officers have been selected by this means to superintend large establishments subject to excise, their knowledge of the technical and commercial details of the business having been brought out by written examinations. In these and all other cases in that Department, the practical efficiency and general usefulness of employés have been found to be very accurately indicated by their standing at the examinations. Those again who have repeatedly failed to pass have proven themselves practically useless in actual service. It is not contended, however, by these witnesses, that such examinations should be the only qualification for promotion, but they have been found the most valuable factor in determining a man's fitness therefor.

In the Engineering branches, Mr. Sandford Fleming testified that though the technical knowledge of an officer might be fairly well tested by Departmental examinations, so much depended on other qualities, such as the capacity for managing bodies of men, that an examination would not be an infallible test of fitness for the higher positions. While agreeing with this, the Committee think that a certain degree of advancement in professional or special knowledge might fairly be demanded as a condition of promotion, at least up to a certain point.

In the other Departments the general opinion of the witnesses was against the possibility of obtaining any better test of fitness for promotion than the knowledge of

individuals gained by their superiors in the oversight of their work from day to day; while this opinion has great weight the Committee are not inclined to accept it as finally negating the feasibility of the proposal in view of the results obtained in the Inland Revenue Department, which appear to have surprised even those who have tried the experiment.

In regard to discipline, the Committee would call attention to the provisions of the Victorian Act, an abstract of which is appended, and which gives to official heads of departments the power of inflicting a limited fine for offences, in addition to that of suspending officials.

The reforms in the method of appointments submitted by the Committee, have been long in force in Great Britain, and with generally favorable results. The fact that they have continued in force under successive Governments is felt to be strong testimony in their favor. Many objections are made to the method of conducting examinations, but the principle of non-political appointment involved is fully accepted by those who are most cognizant with the working of the system.

Many other points besides those noticed, have been brought before the Committee, but have not had sufficient consideration to warrant their being included in this report.

All which is respectfully submitted.

GEORGE CASEY,
Chairman.

April 27th, 1877.

MINUTES OF EVIDENCE.

Committee met.—Mr. CASEY in the Chair.

Lieut.-Colonel WILLIAM WHITE, called and examined :

By the Chairman :—

Q. What is your present position?—I am Secretary of the Post Office Department.

Q. What are your special duties?—To superintend the ordinary correspondence of the Department—under the instructions, of course, of the Deputy Postmaster-General,—to attend to the arrangement of the mail service and execution of contracts, to attend to the whole of the appointments, both of postmasters and clerks, outside and inside of the service, so far as the Department is concerned; and to assist generally in the management of the Department under the Deputy Postmaster-General.

Q. Have you any special class of employes under your own charge?—I have supervision of the Dead Letter Branch, of the distribution of stamps, of the Ocean Mail Service, and of the correspondence generally.

Q. Any special class of clerks to attend to these?—Yes; some 33 or 34 clerks, I think.

Q. Do you find that you have in your clerks the best material you could wish, speaking as a general thing?—No. I think the Civil Service would be much improved if we had some system of examination to test a man's qualification. At present, practically, there is none.

Q. Do you find any difficulty in carrying out the business of your branch, or any defects on the part of your employes?—Yes; I do.

Q. There is delay?—I cannot say it is so in the superior branches, but it is so in the minor branches. The work would undoubtedly be better done in the minor branches if the men were better qualified.

Q. In the lower branches the work is chiefly mechanical?—We have no purely mechanical work.

Q. Would all branches of your department require men of special qualifications—a special training in the department?—Not junior clerks. What we require most is some assurance that every person has at least the groundwork of a good education—that he can read and write well. Bad writing on the part of a clerk is a very serious matter. For instance, in the Dead Letter Office, if a man engaged in returning letters writes an indifferent hand it impairs the value of his services. We want men of a certain standard of intelligence. In my opinion, what is most required in my own branch is, that the men should be able to write correctly from dictation and have a fair knowledge of elementary arithmetic: it is not necessary to go beyond proportion. Suppose, for instance, that it is wanted to make out an estimate of the relative cost of a contract, if we increased the service, and to know *pro rata* what it would cost—this could not be done readily unless the clerk had a fair knowledge of elementary arithmetic. Any man in the Department should be able to do such things as this at once, otherwise the value of his services would be seriously impaired.

Q. You have spoken so far about a qualifying examination—would you also introduce the competitive system?—There are, to my mind, one or two serious objections. The first is this, unless I am very much mistaken, that it will lead to a system of cramming, as it has in England. I have known men who knew a great deal more through cramming when they were examined, than they did six months afterwards. Then it is a question whether by a system of competitive examination you would not limit the area from which you could select. Under such a system the appointments would be almost all in the hands of persons living in the cities where educational facilities are great. I don't know that that would be an advantage.

Q. With regard to cramming: It is held that the evil of cramming arises largely from the peculiar arrangement of the examinations. Lord Salisbury says in his last letter on the subject that it is a defect chiefly of detail, which he thinks could be remedied by re-arranging the examinations.

Q. Did you ever think sufficiently on the matter to say that the examinations could be so arranged as to avoid any trouble through cramming?—I have never thought much on the subject, but I have noticed that cramming has been alleged an evil ever since I can remember anything about it.

Q. Do you consider competitive examinations, no matter how arranged, must necessarily involve the evil of cramming?—More or less.

Q. Suppose it did, would it not be an improvement to have a few men a little over-crammed, instead of the class you get under our present system?—Let me illustrate by an example.

Q. Were you in the Civil Service at home?—Yes; I was in the Post Office Department for eight years.

Witness :—In the Civil Service at home we had a man who would pass through the most severe examinations, and could translate anything in Greek that might be placed before him, yet he was one of the worst clerks in the Department; he could not even compose a letter. You may get a man whose learning may be thoroughly scholastic, but yet who would have no power to adapt his information to practical purposes.

Q. Do you think that could be remedied by making appointments provisional for a fixed period, during which a man's practical qualifications could be tested?—My experience is that when once you get a man in the service it is very hard to get him out again.

Q. The rule in England in 1870, was that if a man's appointment had not been favorably reported upon at the end of a year, his appointment lapsed, as a matter of course, without any action being taken. Do you think such a rule would be sufficient here?—Yes; if you could rely upon such an order being carried out.

Q. It was established by Order in Council, and required no special action to carry it out. Do you think a year a sufficient time to test a man's capacities?—I think that six months is sufficient.

By Mr. Kirkpatrick:—

Q. Do you think the competitive system, with the trial system afterwards, would do away with the evils, or counteract the evils of the cramming system?—It might.

By the Chairman:—

Q. Do you think there would be as much difficulty under that system as under the present in getting rid of an inefficient man?—Probably not.

Q. You think where a man owed his appointment to having passed examinations, there would not be so much difficulty in getting rid of him if he did not suit?—No; there would not.

Q. Do you think the mere abolition of political influence in appointments, even if the character of the employés was not very much improved, would be an advantage in any way?—Well; I am not so clear upon that point. It might be questioned whether the system of nominations by members of Parliament, as now carried out, with the safeguards you have spoken of, would not be better.

By Mr. Kirkpatrick:—

Q. The safeguards you refer to are——?—Thoroughly practical examinations. The nominations could be made and then the examinations held.

By the Chairman:—

Q. Have you ever found that political influence in connection with the management of your Department was an evil?—

After some discussion as to the propriety of the question the witness said: I think I might say that the tendency of political influence was rather to the injury than benefit of the Service.

Q. And if the Service was carried on without regard to political influence, then the promotion would follow according to merit?—Yes; that's the way it is now in England.

Q. I come to your second objection to the competitive system, viz; that it would limit the nominations or selections to cities and other places where the people had the advantage of superior education. Suppose examinations were arranged at different places, as are the examinations for Normal and common school teachers, throughout the country; don't you think that our school teachers, for example, would have a good chance of coming into the Service?—Yes; you would spread the area for selection, of course.

Q. You think the examinations could be so arranged as to obviate that particular difficulty?—I think myself that the examinations would be far better held away from the seat of Government altogether.

Q. Could not examinations be held at different places upon uniform papers?—Yes; and the papers should be sent to some Central Board afterwards. I think the examinations should be held in as many places as possible.

Q. Common school teachers are examined in every county town, on uniform papers, throughout Ontario. Do you think that system would do?—That would probably meet the objection, and grades could be made according to the several classes; but there would be more applications than offices to fill.

Q. Would a great many persons be disappointed in not getting appointments after passing examinations?—Yes.

Q. Under the present system if a man is inefficient is it easy to get rid of him?—No; it is very difficult to get rid of a man after he has been appointed. There is no question about that.

Q. So that you find great difficulty of ridding the service of inefficient men?—Undoubtedly.

Q. Have you ever known that to lead to the appointment of additional men to do the duties of those who were inefficient, but still retained?—Not in that way; not ostensibly.

Q. You have known men appointed because of the inefficiency of others?—I could not exactly say that.

By Mr. Roscoe:—

Q. If there were twenty men, and four or five of them were inefficient, would not twenty-three or twenty-four men be required to do the work?—Undoubtedly it would take a certain per centage more, but it is difficult to say absolutely that there has been additional appointments, because of inefficiency. I think, however, you might reduce the per centage of our respective staffs.

By the Chairman:—

Q. In your department could you arrange examinations as preliminary to promotion?—I think promotion ought always to rest upon particular knowledge of the business. You could not very well go beyond that.

Q. You think promotions should be left with the heads of the Departments?—I think so.

Q. Mr. Griffin objected to it being left altogether with him, although he thought his voice should always be taken in the matter?—I think a certain attention should always be paid to the permanent head of the Department.

Q. Do you think any more power in the way of enforcing discipline should be left in the hands of the permanent or deputy head of the Department?—I don't think so. The permanent heads have power to suspend and to report. That is quite sufficient.

Q. Do you know anything about superannuation in your Department?—We have had several superannuations.

Q. Do you know of any irregularities with regard to superannuations arising from political influences, such as the delaying of superannuations or giving them too soon?—None whatever, all our superannuations have taken place from age or infirmity, ill health, &c.

Q. Do you know of any individuals now in the Department who are really unfit for the Service, and have been for some time from ill health or other causes?—Not from ill health.

Q. Then from any other cause?—Yes; still I could not say much upon that point.

Q. Is your Department particularly hard upon the health?—Yes; I think so, as respects the outside service. We have a large proportion of young men who appear to be suffering from disease of the lungs.

Q. Is there no medical examination in your Department?—Not that I am aware of; but I think it is very necessary.

By Mr. Roscoe:—

Q. To what do you attribute the disease of the lungs?—Probably to impure air, and the dust from the handling of mail bags. Constant travelling is very hard on the railway clerks.

Q. Has superannuation generally been on account of ill-health?—Almost with-exception.

Q. Any from age?—No.

Q. Then really many are worn out before their time?—Yes.

Q. Have you known any who have been superannuated to be put on again?—Not in our Department.

By Mr. Church:—

Q. Are you now referring to the inside service?—No; to the whole service. We have three classes: 1st, the Inside Service at Ottawa; 2nd, the Railway Mail Service, that is the Railway Mail Clerks; and 3rd, the City Post Offices all over the Dominion. The Railway and City Post Offices Clerks are our "Outside Service." We have nothing to do with country Post Masters.

Q. They are not eligible for promotion?—No; but all the rest I speak of are eligible for promotion.

By the Chairman:—

Q. Suppose that an examination for entrance into the Service were to be established, by whom should it be conducted?—I think it had better be conducted on the same principles as the examination for teachers, and by parties outside the Service, I

think that the results of the examination should be sent in and that a record should be kept at Ottawa, and a return made to Parliament.

Q. Speaking of the Service generally as far as you know, do you think that the lower clerks in the Service could be so graded that one common examination would answer the purpose for the lower ranks of the whole Service?—Yes; I think so, that is where no special qualifications would be required.

Q. If an examination was required, only one set of papers and one Board would do for all the Departments?—I think so.

Q. Are there any other points you would like to mention arising from your experience in the Service?—I do not think of any at the moment.

Q. What are the hours of work in your Department?—In the City Post Offices they vary. I think there is scarcely any hour in the twenty four not occupied in some way or other.

Q. I mean for each employé?—The hours vary from seven to nine; nine hours for the outside and seven for the inside service.

Q. Do you find any difficulty in getting men in the Departments to attend during these full hours?—No.

Q. Is there any complaint made of their being too long?—No.

By Mr. Church:—

Q. Do you think that the system of competitive examination should be applied to all the grades of officers in your Department, outside in villages, towns, &c?—No it could not be undertaken for the small country offices. We do not consider any man in the service who does not pay to the superannuation fund.

Q. That is the conventional understanding?—Yes.

By Mr. Aylmer:—

Q. Do you not think that a system might be arranged to give to the boys in the leading schools in the country who distinguish themselves, appointments in the lower offices?—These are practical ways of getting at it.

Q. Don't you think that in this way a class of young men of the very best kind would be brought into the service?

Witness.—You mean that this would be the best way as far as common schools are concerned?

Mr. Aylmer.—Or high schools.

A. Yes; I dare say that would be a good way of selecting them.

By the Chairman:—

Q. Would you have any fear under any system of securing a too highly educated class of employés?—I don't think so; I do not think that the competition would be sufficiently great for that.

By Mr. Roscoe:—

Q. Is the Service not sufficiently attractive?—I do not think so; the professions will always attract the best men.

By the Chairman:—

Q. What means would you adopt to make the Service more attractive?—I think that if in our Department they would do as in England, and give all the large country postmasterships to employés, it would have such an effect; in England the system is very simple. All country postmasterships exceeding in annual value two hundred pounds sterling are given to men in the Service; the result is that they are constantly sending trained men to act as postmasters all over the country; the postmasters at large cities like Birmingham, Manchester and Liverpool, are all men who have had post office training in some branch or other of the Service.

Q. Is promotion made from one post office to another?—I think it is occasionally; I think it is safe to say that this is the case.

Q. In Canada, as a rule, are large postmasterships given to people outside?—Exactly.

By Mr. Church:—

Q. On whose recommendation ought those appointments be made?—In that case, I think the recommendation would have to be left to the Minister; the large

post offices could be given to some one in the service. I dare say, as a rule, they could be bestowed upon some one in the same office who had knowledge of its affairs. The position would be given to some one at headquarters here or in the office itself; it is very unlikely that there would be such a thing as a senior clerk at Toronto being made a postmaster at Halifax.

By the Chairman :—

Q. You think that promotion in large offices should be made in the offices themselves as a rule?—Yes.

By Mr. Church :—

Q. Still there would be some political responsibility?—This must rest on the head of the Department; there is no other way of arranging the matter.

Q. Would any change in the mode of promotion make the Service more attractive in your opinion?—No; I do not know that it could, we always now single out men who are fit for promotion as far as we can.

Q. Do you think that the salaries in the lower grades are sufficient at present?—I think not. I do not think that any man can live respectably with the present prices which prevail in Ottawa on \$300 or \$400 a year.

Q. At present how long must a man stay in the Service before he can reasonably expect a good living salary?—If the law was strictly carried out, it would take him at least three years before his salary would pay his expenses. I am afraid that a good many get into difficulties; in fact they do try, but they cannot do it. I think that of a number of young men who are here, a large proportion are not assisted by their friends to such an extent as to enable them to live as they ought to live. It is not to our advantage that they should be driven to the worst parts of the town. I do not think that any young man in the service can possibly live as he ought on less than \$500 a year.

Q. Of course your remarks apply to unmarried men?—Yes.

Q. And what is the case with respect to the outside service?—I could not say, prices vary so.

Q. You think that the same general remark applies to the outside service; that the salaries are not then too low?—I think that they are; I do not think that any advantage is gained by placing the salaries at the lowest possible point.

Q. Do you agree with Mr. Griffin, that if a more efficient class of men were appointed, salaries could be raised on account of the decrease in the number of employes, with the present expenditure of money?—I should not like to say that the men as a rule are inefficient, I do not think that you could find any great difference in the men. I do not think that the margin would be sufficiently large to make any material deduction; but I do think that it is a mistake to limit the salaries of young men first entering the service to \$300 a year.

Q. If the chances of promotion were made rapid, could you get along with low entrance salaries?—I do not think that it would be wise to promote young men so rapidly as that; I do not think that they could acquire sufficient knowledge of their duties to warrant it, unless they were for three or four years in the Service; my practical experience is that under this system, young fellows get into difficulties at the time they enter the Service, and that they never get out of them.

Q. Do you consider that the low salaries paid to men in positions of trust are a temptation to these men?—I cannot say that they are; we have never to my knowledge any such cases.

Q. Are there any positions in the Department where men have any chance to abuse their trusts?—I do not think that in any part of the Post Office Service, the inside service at least, anything of that kind could occur. The system is such that no means for giving way to temptations of that kind are presented. I think, however, that it rather tends to lower the standard of the men employed in the Department. That is about the effect of the system, and it is important in this way that it tends to lower their self-respect, &c.

By Mr Aylmer :—

Q. What is the limit as to age, for men entering the Department?—From eighteen to twenty-five years.

By Mr Church :—

Q. It is more than that, is it not?—That is the limit, but it is not insisted on.

By the Chairman :—

Q. Do you know that the rule as to age is broken?—Undoubtedly it is.

Q. Is it frequently broken?—The rule as to age has been very little observed; it has been frequently violated.

1. I am decidedly of opinion that the examination to test the qualification of candidates for employment in the Civil Service should, in all cases, precede employment; and that no person who has not received a certificate of qualification should be employed.

2. I would suggest that a return should be laid before Parliament at the commencement of each Session, shewing :—

1. The total number of persons who offered themselves for examination at each place where examinations had been held during the preceding year.

2. The names, arranged in the order of merit, of those who had received certificates of qualification during the year at each place.

3. The names of the Department to which successful candidates had been appointed, and the rank and salary assigned in each case.

(Signed) W. WHITE.

TUESDAY, April 17th, 1877.

Committee met.—Mr. CASEY in the Chair.

Mr. E. MIALL, jr., Assistant Commissioner of Inland Revenue, called and examined :

By the Chairman :—

Q. How long have you been in the Service?—Seven years.

Q. The Department has not been in existence much longer, has it?—It has been in existence nine or ten years.

Q. What was your previous training?—I was articled to a firm of public accountants in England, and I have been, since coming to this country, engaged in manufacturing.

By the Chairman :—

Q. Do you approve of the present mode of making appointments to the Civil Service? If not, on what grounds?—I consider it utterly indefensible. Theoretically it may not improperly be urged that the responsibility of all appointments must ultimately rest with the Executive, but I cannot see that this proposition is any excuse for the Executive failing to institute some system under which the wisdom and adaptability of their selection might, in a great measure, be guaranteed. There are, however, those who uphold and defend the present system, and who argue that Government ought to be able, confidently, to rely upon the advice and recommendations of those of the peoples' representatives who usually support them, and who share with them the credit or discredit of such nominations; but it should be borne in mind that these representatives have seldom the means of knowing what qualifications are required in order to fill creditably the positions to which they may be requested to nominate their friends; and even did they know what were required, it would often happen that they would be quite incapable of deciding whether or not those qualifications were possessed by the persons they would desire to nominate. It is to be regretted also, that these are not the greatest obstacles in the way of judicious nominations. Too often the fitness of the candidate would appear to be the last matter considered; neither do I see how it can be much otherwise until members of Parlia-

ment cease to be virtually mere delegates of local majorities, and become by a more rational method of election (such as that proposed by Mr. Hare or an approximation to it) the unanimously chosen representatives of certain quotas of the electors. In that case the influence of those small but active coteries that exist in every constituency and virtually hold the electoral wires, would wane; and members, not being driven to consult or conciliate them might, and probably would, recommend men for the public service for other and higher reasons than those which almost of necessity must actuate them under the existing political system. It is manifestly to the interest of any Government to entrench itself behind some carefully considered system, which, while relieving them from constant annoyance, would ensure the choice of the best attainable instruments to aid them in conducting the public business of the country.

Q. Do you think that a system of competitive examination would effect that object?—Without committing myself too fully to the theory of *competitive* examinations, I have no doubt at all that a non-political Board of Commissioners who should have the power of calling to their aid men versed in the various branches which go to make up a liberal education, for the purpose of drawing up examination papers and of valuing the candidates' replies, and otherwise in aiding professionally the Commissioners in the discharge of their duties, would very largely bring about the desired result. I am inclined to think, however, that if the object be to select the very best men attainable, the Commissioners would have to be entrusted with a certain amount of discretionary power. There are obviously, certain mental, moral, as also physical characteristics which any ordinary examination would entirely fail to test; such means could only test candidates as to *acquired knowledge*. In some of the higher branches of the service, other qualifications might be of greater moment than acquired knowledge. The very originality and versatility of mind on the part of a candidate possessing, for example, great powers of organization, might be a positive bar to the acquisition of that kind of knowledge in regard to which a more docile and impressionable mind would considerably surpass him; and yet this power of organization might be the very feature most to be desired. Other positions call for an intuitive knowledge of human nature; others for great decision of character; others for a semi-judicial tone of mind, capable of weighing evidence and arguments, deciding rapidly and judiciously, and reproducing the whole case in skeleton form with lucidity, for the consideration of the political chief of the department. These are all characteristics which ordinary examination would fail to test; and, in fact, can only be recognized by what a man *is* and what he has *already done*. These remarks, however, are applicable only to a very small proportion of the positions in the Civil Service, which might, in fact, be specifically excepted from the operations of the general regulations. When I hesitate to commit myself unreservedly to the principle of competitive examination, I desire it to be understood that I do not deny the efficiency of examination as a test of acquired knowledge. My experience has been that they are a very powerful and efficient aid to discriminating in this respect; but I think some latitude must be allowed to the Commissioners in determining how far acquired knowledge is to be taken as the test, or how far that is to be modified by considerations as to temperament, mental force or other features they deem to be important under special circumstances. In any case, however, it might be desirable to provide that a candidate possessing a first-class certificate should always have precedence over one having a certificate of any lower grade, whatever latitude might be allowed the Commissioners as to candidates *within* the highest class. I confess that I look with some jealousy upon the giving of this latitude to the Commissioners, lest it might be the means of re-introducing the *liaison* between the administrative and legislative functions of Government, which, unhappily, has so long existed, and which it is the design of those who are pressing for competitive examination to break through. Probably competitive examinations, in conjunction with a term of probationary service, would meet the requirements referred to; but the approval of the Department most interested ought to be positively signified in writing before that probationary appointment became permanent. The mere failure of the Department to signify its disapproval should not be sufficient.

Q. What has been the experience of your Department as regards examinations?—The experience of the Inland Revenue Department has been emphatically favourable to really effective examinations. As a rule, all those who have obtained first-class certificates have, sooner or later, reached responsible and comparatively lucrative positions; several have become inspectors; still more have obtained collectorships; and there are not half-a-dozen who have not risen to positions commanding \$1,000 per annum. Unfortunately, others have reached similar positions from political favoritism, and those who were entitled by length of service, and by acknowledged fitness, have from time to time seen the higher posts to which they were fairly entitled, filched from them by men, whose chief recommendation may have been that of political partizanship, and to whom the duties and technicalities of the office were almost totally unknown. This practice is very disheartening to the men in our service, who are led to conclude that intelligence and zeal are unnoticed and unvalued. It is still more suicidal when it is borne in mind, that these officers are placed in positions of the utmost temptations—positions in which the slightest defection from the straight line of duty might enable them to supplement their earnings far beyond anything to which they may expect to rise as honest men.

Q. What is the outside staff employed by your Department?—The number of officers of all grades on the outside staff of the Inland Revenue Department (Excise Branch) is about 200. Of these, about 125 have passed successful examinations; eighteen have failed to pass, and fifty-seven have not yet submitted to examination. Referring to the 125 above-mentioned, these include all who have passed the minimum, and have become entitled to be graded, whether among the first-class, second-class, or third-class; the first-class being those who have attained 1,200 points, out of a possible 1,500; the second-class, those who have attained 900; and the third-class, those who have secured 600. The experience of the Department has been, that those who have obtained first-class certificates, are indisputably good men, available for any position in the outside service, I think I may say without a single exception. With reference to the second-class, they may be regarded as men of something more than the average availability. The third-class men are very indifferent; and, as a rule can only be utilized as warehousemen, or what, in the Customs Department, would be called lockers—men engaged in superintending bonded warehouses, &c., &c. Those who have failed to pass their examinations have, in some cases, submitted to examination more than once, always with a similar result. Almost without exception they are looked upon by the Department, not from this cause alone, but as the result of actual experience, as men decidedly unfit and likely to remain unfit for the duties of the service. We find that the standing at examination generally indicates very effectually the efficiency of the candidates. I may also point out that that which at one time appeared to be an obstacle to obtaining really practical results, namely, that examinations would fail to indicate the *technical* knowledge of officers, has been considerably removed or dissipated by the result of an experiment made within the last twelve or eighteen months. A provision was made in the Estimates for 1874-75 for a sum of money to enable the Department to pay \$200 per annum beyond the ordinary salaries of first class excisemen to 20 officers, whose duty it should be especially to supervise large manufactories subject to excise. It was determined to try the experiment of testing their special knowledge and fitness for this work by examination. The papers got up for this purpose were based very largely upon the books and accounts used in connection with special manufacturing establishments, the transactions were all real transactions, and the result showed that quite as close an approximation to a correct judgment as to their capacity could be reached as had already been done in reference to examinations of a less technical nature. During the last examination of this kind which was held, 13 officers submitted themselves to examination, all of whom had passed a first-class general examination, showing that in their general information they stood nearly on a par one with the other. One of these officers, however, had but recently entered the Service, and while, with the exception of this one, all passed creditable examinations, he completely broke down; in fact, he was not able to attain any position at all.

This was owing entirely to the fact that he had not been able to attain that special knowledge which could only be attained by a considerable length of actual service and practical work in the distilleries. I mention this simply to show that papers may be "set" in such a way as to cover far more ground than is usually supposed, and that something more than mere knowledge acquired from reading, &c., may be indicated as the result of such examination. All officers, except one or two appointed at Confederation, have been appointed subject to examination; but very few, if any, having failed to pass such examination, have been discontinued on that ground alone. The service would be materially improved if the rule were adopted of dismissing all officers who failed to pass after having been twelve or eighteen months on probation, provided the rule were rigorously carried out. After passing the first examination successfully, officers are invited to submit themselves voluntarily for future examination with a view to improve their rating. They may undergo examination from time to time, the understanding being that the Department will use its best endeavour to have the salaries of those who are successful in improving their rating correspondingly advanced, and, as a rule, this has been done. The effect would, however, be more marked if the increased emolument followed increased rating as a matter of course, immediately after such rating were attained. The application necessary to enable officers to achieve a creditable position has had a marked effect upon the Service. There is little doubt that if a preliminary, untechnical examination, before a Board such as has been proposed, were a pre-requisite to even a probationary appointment, the outside staff would be relieved of a considerable weight of useless material which, in fact, never can be utilized. In the other branches of the Inland Revenue, except that of Weights and Measures, I am not aware that any examination of a technical character would be of much use, though one of a general character sufficient to cull out those obviously unqualified for the duties they would have to perform, would certainly tend considerably to lighten the responsibility of those having the conduct of the Department in their charge. With reference to the inside services at Ottawa, general intelligence, good moral character, a thorough knowledge of English and in some cases of French, good legible handwriting and quickness at figures appear to me to be the desiderata, rather than very high attainments, in any particular direction except perhaps in the case of two or three positions in each Department. The Public Works Department or Surveyor-General's office, where, of course, special professional knowledge is required, must in a great measure be excepted from my remarks.

Q. There is one point I wish to refer to. It is with regard to what you have said as to the impossibility of testing actual results by examination before actual experience has been obtained. I would ask if there is no other means of testing a candidate's fitness in this respect than by actual experiment?—I do not believe there is. It is only by what he has already done that this can be determined.

Q. You believe, then that it is only by actual training in the Department that this experience can be acquired?—Yes; or by the appointment of one whose past history and acknowledged versatility of talent is such as to be a perfect guarantee of his ability.

Q. Would it not be possible to try a candidate who had passed a special examination for, say, a period of twelve months?—It would be very difficult to try a man for twelve months under such conditions. It might throw the work of the Department into confusion. It seems to me that it would be incurring a great risk.

Q. It would then be necessary to take men who had filled positions outside?—I think it would be necessary to take men who had had experience outside. I, of course, refer only to a few of the higher positions, calling for skill not ordinarily acquired in the Civil Service.

Q. Notwithstanding this, you are disposed to favor the means of testing by examination for primary appointments?—The ordinary divisions of the service would certainly be immensely benefitted by admitting no one except after examination.

Q. How do you think the present system of promotion works?—The present system is a system of haphazard; sometimes promotions are made fairly. When the

heads of Department have their own way, it is usually done fairly; but frequently the political element comes in, and promotions are made on the same principle as that on which appointments are sometimes made. I cannot say that in our Department we have had much to complain of. The superior officers of the Department have had their own way very much in the selection of men for the higher branches, as well as in promoting them.

Q. Do you think that a young man entering the Department, has a fair chance of obtaining, by application and ability, some of the prizes in the Department?—Does this question apply to the service generally, or only to our Department?—

Q. State your views as to both.—With reference to the Departments generally, I do not think that mere industry, nor even ability, will enable a young man to force his way into high positions. In spite of all he can do, men less worthy, but having political support, will rise above him. With regard to the Inland Revenue Department, the fact that so many ministers have come and gone—I think there have been five or six, since I entered the Service, seven years ago, has left the Department frequently without a political head. At such times, the Deputy-head, a man who took an active interest in the work of the Department, has, under the acting minister, had tolerably full sway; and he has at those times, made recommendations favorable to those employes who have been efficient; but who, up to that time, had been left unpromoted. Another thing which has assisted the Service in the Inland Revenue Department, has been the knowledge that the duties of its officers are of a somewhat technical nature, requiring a fair amount of ability; and that the appointment of inferior men would work great injury to the public—would, in fact, tend to a loss of revenue.

By Mr. Roscoe:—

Q. I understand you to say that the higher grades in the service could not be filled up from the inferior officers?—There would be times when the men could be promoted without taking them from outside; but this could not always be done. The duties of certain positions require special training which cannot always be given in the Department. For instance, take the Accountant of our Department—he must be a trained Accountant. There are so many complicated returns which cover so much ground that a man who was not a thorough Accountant could not keep the books at all—in fact, he would have no chance at all.

Q. Could not this knowledge be obtained in the Department?—No; I do not believe there is any position in the Department where a man could learn accounts thoroughly.

Q. Such positions may, I suppose, be called those of the staff of the Department?—Yes; I mean positions requiring special qualifications; qualifications that can only be acquired outside. An Accountant possessing a thorough practical knowledge of his profession cannot be made in the Department; a mere book-keeper *may*.

By the Chairman:—

Q. How should appointments from the outside be made?—As a preliminary to such appointments from the outside there should be a statement in writing from the head of the Department that the requisite qualifications cannot be found in the Department, such statement to be gazetted. In some cases those officers who are filling positions requiring special qualifications, should have assistants fitted to take their places. As a rule a thorough knowledge of accounts cannot be had without going outside the Department. I think, however, it would be well to avoid making any cast-iron rule on the subject which would have to be broken.

(Signed)

E. MIALL, JUN.

WEDNESDAY, 28th March, 1877.

Committee met.—Mr. CASEY in the Chair.

Mr. MEREDITH called and examined :

By the Chairman :—

Q. Are you Chairman of the Civil Service Board?—Yes.

Q. When was that Board established, and how?—In 1857, by statute.

Q. Will you state generally what are its functions?—The duties of the Board are set forth in detail in the 25th Section of "The Canada Civil Service Act, 1868." One of the most important duties is that connected with the examination of candidates for admission into the Civil Service.

In response to several questions, Mr. Meredith then made the following statement :—

Under the Act of 1857 we were authorized to examine all who presented themselves. Consequently many came up who, after passing, felt that they had claims, and were disappointed by not getting employment. Under the Act of 1868 we only examine those who have received nominations. We are notified by the candidate of his appointment, and proceed to examine him. Sometime the notification comes from the Minister. As a matter of fact the appointment is sometimes made by Order in Council before examination, though often subject to passing the examination. This is indeed the general course. In the majority of cases we don't examine till after appointment, and in many cases there is no examination. I don't remember any case of a man appointed by Order in Council before examination who failed to pass. Candidates would be allowed to try a second time, if they failed on the first trial. I am sure the majority of nominees do not come before us. Only 72 have been examined by us since Act of 1868. Those rejected do not bear a large proportion to those who pass. Two or three were rejected and tried over again, and only one was finally rejected. We do not make a classification according to merit, there is not much room for it. Under the old Act we had optional subjects which allowed us to some extent to show the proficiency of candidates. There was no rule giving an advantage to those who stood highest. The examinations have been always exclusively written. The time allowed varies. (See papers.)

Examinations are always held at the Seat of Government. Under the old Act it was held monthly, now it is held when required, that is when application is made. We would hold an examination for one applicant. The last examination held was in February, 1876, there was only one that year, and none in 1875. In 1874 there appears from our books to have been 15; in 1873, 10; in 1872, 14; in 1871, 13; in 1870, 16; in 1869, 3. No general heads of subjects are prescribed by the Act, but they are settled by the regulations of the Board, and confirmed by Order in Council. The examination is only useful in excluding those who are utterly ignorant and entirely unfit for the Service. It is not at all comparable to primary examinations in England, and is no adequate test of the qualification of the candidate. Any boy of 13 should be able to pass it. It is not nearly as severe as the entrance examinations of High Schools. We do not necessarily receive notice of any appointment. Any number of appointments might be made without our knowledge. We have no power to compel nominees to be examined. We have often represented to the Government that the law has not been complied with in regard to examinations. Appointment before examination is a violation of the Act. The Act applies in terms to both inside and outside Service, but the organization for the examination of the outside service as provided by section 2 of this Act, has never been carried out. Answers to questions at examinations are kept and will be produced. Nominees to a grade higher than the lowest should also come before us, according to the Act. We have but very rarely been called upon to examine men appointed to the higher ranks for special qualifications. The only subjects on which we have examined such nominees are shorthand writing and higher arithmetic, and, I think, book-keeping, occasionally. In my opinion, it would decidedly improve the efficiency of the Service to have a more severe preliminary and compulsory examination before appointment. I think the standing at these

examinations should be taken into account in making appointments. Practically, now, any person scraping through at all is in as good a position as any other, no matter how good. Competitive examinations should no doubt be a good test of ability, though perhaps not a satisfactory test of other qualifications, such as industry, application, punctuality, character, health, etc. There is no means of testing these under the present system. There can be no means of testing these except by probationary appointment. Both systems fail to reach these personal qualifications, but the competitive system is a better test of ability. I think a competitive system combined with probationary appointments would be decidedly very much preferable to the present system. The examination would determine one factor; the rest would be decided by experience.

I think the existing law, even if literally carried out, would not be sufficient to secure the acceptable efficiency of the service. There is no examination for promotion. I think a man's superior officer should know him so well as not to need an examination. Promotion is made on the recommendation of responsible Ministers, confirmed by Order in Council. I think the permanent head is generally consulted. When a vacancy to which a promotion might take place is filled from outside the Service the Deputy Head is powerless. I have known this to occur occasionally. I can say of my own Department that it is not overcrowded; I cannot speak from personal knowledge of the others. Overcrowding would lessen the rapidity of promotion and be otherwise injurious to the Service. I think it should be very rarely necessary in ordinary Departmental work to call in an outsider for special qualifications; the bringing in of such men, when there is no necessity for an expert, discourages those in the Service, and lowers its efficiency and *morale*. I think this practice should only be resorted to when absolutely necessary, *i. e.*, in the case of a shorthand writer. As Head of a Department, I should prefer to promote my own employes rather than take in outsiders. I speak from long experience. I have been for 30 years the Deputy Head of a department. I should exercise selection and decidedly not promote by seniority alone. Promotion should go by seniority where efficiency, in the opinion of the Head of the Department, is equal. Nothing could absolutely prevent favouritism and jealousy. Cases constantly occur where promotions over the heads of other men have caused general dissatisfaction. Promotion in a department should be quite aside from political considerations, and the Departmental head should be consulted. In my Department I could not arrange an examination as a preliminary to promotion. I know my men thoroughly without this, and the chiefs of the various branches should have the same knowledge of the men under their immediate charge. In Departments where technical duties are discharged such examination might be probably advantageous.

Practically, the gentlemen employed in my Department undergo a continuous individual examination day by day, in the ordinary course of their duties. It is practically a competitive examination. I have not, however, the power of promoting those I consider most efficient. I should not like to leave the responsibility of making promotions altogether to the permanent head, though I think he ought to be able to advise on the subject better than anyone else.

It may be occasionally advisable to introduce a Deputy Head from outside. It would be best as a general thing to train them up in the Department.

The separation of appointments from political considerations is advisable.

Apart from technical and scientific branches, work in the lower grades is, I think, sufficiently similar in the different Departments to be done by men of the same qualifications.

In my Department I have many men employed in copying, &c.; others in work requiring special thought and intelligence.

I have come to the conclusion long ago that a change of system, such as I have already indicated, is necessary to the efficiency of the service. This is not so much from experience in my own Department, as from knowledge of what is going on in the service generally.

In compliance with the request of the Committee of the House of Commons on the Civil Service, I respectfully submit the accompanying statement in connection with the evidence given by me before the Committee on the 28th ultimo.

The Civil Service Board was first established under the authority of the Act 20 Victoria, chapter 24, and has been continued under the 31 Victoria, chapter 34, commonly called the Canadian Civil Service Act of 1868.

The Civil Service Board is composed of the Deputy Heads of the several Executive Departments at the Seat of Government, who annually elect their chairman, I have held the office of chairman continuously since the passing of the last cited Act, and have taken an active part in the Civil Service examinations under both Acts.

The general duties of the Board are defined in the 25th section of the Act, so far as the examination of candidates for employment in the Civil Service is concerned, its duties are :—

1. To frame the regulations to be observed by such candidates subject to the approval of His Excellency in Council.

2. To examine all candidates who present themselves upon a nomination for office.

3. To keep a record of the candidates for examination, showing the name, age, place of birth and residence of each candidate, by whom nominated, and the results of examination, and

4. To grant certificates of qualification to candidates who have passed a satisfactory examination, and otherwise complied with the provisions of the Act.

Under the former Act, *i.e.*, the 20th Victoria, chapter 24, the Board was authorized to examine *all* candidates who presented themselves; whereas under the Act now in force, *i.e.*, the 31st Victoria, chapter 34, those candidates only are examined who have *obtained a nomination for office*.

A copy of the regulations of the Board, approved by His Excellency in Council, is submitted herewith; and the book containing the official record of the results of examinations has been laid before the Committee.

The number of candidates examined under the Act 20th Victoria, chapter 24, is , and the number rejected,

The number of candidates examined under the 31st Victoria, chapter 34, is , and the number rejected,

The Board has no authority to compel candidates to present themselves for examination before it.

Candidates are examined either at the request of the Head of the Department nominating them, or on the application of the candidates themselves. The Act requires that candidates should be examined before their appointment. As a matter of fact, however, the appointments generally precede the examination, and during the last few years but a small number of those appointed to office have been examined.

The subjects for examination are not prescribed by the Act, but are settled by the regulations of the Board, confirmed by Order in Council. The examination is very elementary, and is not at all as severe as the entrance examination to High Schools in Canada.

Any intelligent boy of thirteen should be able to pass the examination successfully.

The examinations are conducted principally by means of printed papers containing the questions for examination. A passage from an English or French writer is also read out to the candidates, to test their power of writing from dictation.

No attempt is made to classify the candidates who pass; indeed the examination is so elementary as hardly to admit of it.

Under the original Act there were several "optional" subjects, in which candidates might be examined, if they desired it.

The following were the optional subjects :—1. Grammar; 2. Translating French into English and English into French; 3. Arithmetic as far as decimal fractions; 4. Book keeping; 5. Elementary Geography; 6. Making abstracts of documents; 7. Shorthand writing.

The marks obtained by those who passed in several of the "optional" subjects afforded some test of the general attainments of the candidates.

It was not found, however, that the character of the examination passed affected the candidates chances of appointment; a man who had barely scraped through the examination being as likely to be appointed as one who had passed a very creditable examination.

The only useful end which the present examination serves, in my opinion, is that of excluding from the Service those who are utterly ignorant and incompetent.

The present Civil Service Act applies in terms to both the Outside and Inside Service, but as regards the Outside Service its provisions have never been carried out.

The Act also provides that persons whom it is proposed to appoint on the ground of *special attainments* may be subjected to a special examination in that respect.

Very few persons have been examined under this provision of the Act, and the only subjects on which such special examination has been held are: 1. Shorthand writing; 2. Higher Arithmetic; 3. Book-keeping.

In my evidence I have stated my views on the subject of examinations for promotion. Such examinations in most Departments would, it seems to me, be utterly useless. The Deputy Head of a Department and the heads of branches should, without any special examination, know thoroughly whether the men under them are or are not eligible for promotion. In the ordinary transaction of the business of the Department, the efficiency and ability of every man is being tested in the best possible way. He is in fact undergoing a daily examination of the most practical kind.

I have also stated that I think the frequent introduction of men from outside to fill vacancies in the higher grades of the Service is a grievous evil, injurious to the public interest, and fatal to the *morale* of the Service.

The prizes, such as they are, in the Service, should, I think, be reserved for those who having made the Service their profession, have regularly served their apprenticeship in it, and performed their work faithfully and well. Persons from outside should only be brought into the Service on those rare occasions, where very special attainments are required, or when professional or technical knowledge is necessary, and when there is not any available person in the Service possessing such attainments or such professional or technical knowledge.

In conclusion, I would respectfully submit the following suggestions with a view to increasing the efficiency and economy of the Public Service.

1. No person should be appointed either to the inside or outside service who had not passed an examination, showing that he was possessed of, at least, a fair English education.

2. The examination should be conducted by a Board of Examiners, composed generally of persons unconnected with the Service. One member of the Civil Service Board being, however, associated with them for the purpose of consultation.

3. The Board should hold its sittings at the Seat of Government, but examinations might be held at other places by means of sealed printed papers sent to persons appointed by the Board to superintend the examinations in accordance with its regulations.

4. Appointments should be made irrespective of political considerations; those being selected who had passed a creditable examination, and who, so far as could be ascertained, appeared to be *in other respects* best qualified for the service.

5. All appointments to the junior grades, at least, should be *strictly probationary* for the first year or six months, and should then only be made permanent by Order of Council passed on the recommendation of the head of the Department or his deputy.

6. Certain classes of persons might possibly be exempted from examination, *i.e.*, University graduates, professional men, or members of the English Civil Service, who have passed the Civil Service examination in that country.

7. Promotions should be made on the recommendation of the Head of the

Department, who should consult in the matter with the Deputy Heads and the Head of the particular branch (should there be such) in which the promotion was to be made.

8. Promotion should be made solely on the grounds of merit and seniority.

9. Vacancies in the higher ranks of the Service should, if possible, be filled by promoting men already in the service. Persons from outside should be brought into the Service in those rare cases only where professional or scientific attainments are required, and where there is no person available either in the Department itself or in any other Department of the Service, possessing the necessary qualifications.

10. All unnecessary offices should be rigorously abolished and the staff of every Department reduced to the *minimum* required for the efficient discharge of business.

11. Assuming that those employed in the Service are fully engaged in their official labours, their remuneration, especially in the higher grades, should be more liberal than at present.

Respectfully submitted,

(Signed) E. A. MEREDITH,
Chairman of the Civil Service Board.

REGULATIONS FOR THE GUIDANCE OF CANDIDATES FOR ADMISSION INTO THE CIVIL SERVICE OF CANADA.

Framed under the provisions of the 31st Vic., cap. 34.

1. Every candidate for admission into the Civil Service of Canada must make application in his own handwriting to the Civil Service Board, setting forth in such application his age, place of birth, place of residence, the length of time he has been in Canada, and the nature of his previous occupation, and stating also at which of the places, hereinafter mentioned for the purpose, he desires to be examined. Candidates who have previously been employed in the Public, or any other service, must state in their application the nature and particulars of such service, and why, and when they left it; and the Board, before admitting such candidates to examination, shall enquire into such particulars, and cause to be endorsed on the candidate's application any information thus obtained as to his qualification which may appear to them material.

2. Such application must be accompanied by the nomination in writing of some Head of a Department in favour of the candidate, together with such certificates as to the age, health and moral character of the candidate as hereinafter prescribed—subject to any alterations that may be hereafter made therein by the Civil Service Board.

3. The certificate of age should contain the best evidence of the date of the candidate's birth which he can conveniently supply.

4. The certificate of health must be in the subjoined form A, and must be signed by a duly licensed medical practitioner, and bear date within one month of the date of the application.

5. Every candidate must transmit with his application two certificates in the subjoined form B. The parties signing such certificates must be Justices of the Peace or householders.

6. No candidate shall be admitted to examination unless he shall have lodged with the Board at Ottawa, at least twenty days before the day of examination, his written application accompanied by the nomination and certificates hereinbefore prescribed; nor unless such certificates shall have been approved by the Board.

7. The certificates of candidates shall be examined by the Examining Committee hereafter appointed, and they shall forthwith notify each candidate whether his certificates have or have not been approved, and when the examination will be held.

Examinations.

8. A Committee of five Deputy Heads shall be appointed annually who shall, from time to time, prepare the necessary examination papers, and conduct the examination at Ottawa. Such Committee to be called the Examining Committee. But nothing herein shall prevent any other member of the Board from being present at examinations. The examinations at all other places shall be conducted by the Local Examiners hereinafter mentioned.

9. The examination shall be held as soon as practicable after the nomination of the candidate and the approval of his certificates, &c.

10. The examinations shall in all cases commence at eleven o'clock a.m., and be continued, with such adjournment as may be necessary, until the examination is completed.

11. The Board shall appoint at Toronto, Kingston, Montreal, Quebec, Halifax and St. John, local examiners who, under the instructions of the Board, shall conduct the examinations to be held at those places respectively.

12. The examinations at Toronto, Kingston, Montreal and Quebec shall be held on any day named by the Board for the purpose.

13. The chairman of the Examining Committee shall cause to be kept a record of the candidates for examination, showing the name, age, place of birth and residence of each candidate, by what head of a department nominated, and the time, place and result of his examination.

Compulsory Subjects.

14. All candidates shall be examined in the following subjects:—

1. Penmanship.
2. Spelling.
3. Arithmetic—as far as vulgar fractions.
4. Writing from dictation.

Optional Subjects.

15. A candidate may be examined, should he so desire, in any one or more of the undermentioned subjects:—

1. Grammar.
2. Translating French into English and English into French.
3. Arithmetic as far as decimal fractions.
4. Book-keeping.
5. Elementary geography.
6. Making abstracts of documents.
7. Shorthand writing.

16. Any one or more of the optional subjects mentioned in the preceding rule may, by order in writing of the Head of any Department, communicated to the Board, be made compulsory for candidates for that department.

17. The examinations shall be conducted by means of printed papers; but the examiners shall not be precluded from putting *viva voce* questions to any candidate for the purpose of ascertaining his competence to pass in any subject.

18. When the Board, by resolution, orders that an examination shall be held at any of the places named herein for such purpose other than Ottawa, the Board shall forthwith notify the Local Examiners at that place of the fact, and shall at the same time transmit to them the necessary examination papers, with a list of the candidates to be examined.

19. The Local Examiners shall see that the examinations are conducted strictly in accordance with the regulations of the Board, and with any instructions they may receive. One Local Examiner at least shall be present during the whole time of the examination.

20. After the close of every examination, the Examining Committee shall report to the Board the result of such examination, and shall at the same time submit the application and certificates of the candidates, and the Board shall determine as to the candidates to whom certificates of qualification shall be granted, and shall forthwith notify such candidate of the result of his examination, and shall also notify each Head of a Department of the result of the examination of any candidate or candidates by him nominated.

Certificates.

21. The certificates of qualification shall be in the following form, and shall be signed by the Chairman of the Board for the time being, and countersigned by the Secretary:—

“The Civil Service Board, established under the provisions of the ‘Civil Service Act of 1868,’ hereby certify that on the _____ day of _____ at the city of _____ Mr. _____ was duly examined by the Board, and that his examination as to fitness and capacity for employment as _____ and his testimonials as to moral character were found satisfactory.”

Should the candidate present himself for examination in any of the optional subjects and be found “proficient” or “highly proficient” in any one or more of them, the fact shall be noted on the certificate in the following terms:—

“Mr. _____ was also examined, at his own request, in the following subjects, viz.: _____ and was found _____”

Marks.

22. To regulate the decisions of the Board upon the granting of certificates to candidates, each of the compulsory subjects shall be valued at 100, and the examiners shall report the numerical value of the answers of each candidate. No certificate shall be granted to any candidate who has not obtained an average of 60 marks in the compulsory subjects, or who has obtained less than 30 marks in any one of the said subjects.

Provided, however, that in cases of candidates for the situation of Messenger or other inferior employment, the Board may, though the prescribed number of marks has not been obtained, grant a special certificate of the candidate's sufficiency for such situation or employment.

23. Each of the optional subjects shall be valued at 100, and the examiners shall decide the numerical value of the answers of each candidate.

24. Any candidate who shall obtain 80 marks or upwards in any of the optional subjects, shall be deemed “*highly proficient*” therein. If he shall obtain 60 marks, but less than 80, he shall be deemed “*proficient*.” No candidate obtaining less than 60 marks, for any optional subject, shall receive a special certificate for such subject.

25. When any optional subject is made compulsory for a Department, the Head of that Department shall prescribe the minimum number of marks which shall entitle the candidate to pass in such branch.

26. When any Department has organized, or shall hereafter organize, a special examination, under the supervision of the Department, for candidates for appointment in the outside service of such Department, the Board may, by resolution, order that such special examination, subject to such rules as they may prescribe, shall be held to be an examination by the Board for the purposes of “the Civil Service Act.” Provided, always, that candidates for such outside service must in all respects comply with the preceding rules and regulations so far as relates to their applications for admission into the Civil Service, and to all matters other than the examination.

(A.)

“ I hereby certify that I have this day personally examined Mr.
 “ and that I believe him to be free from any physical defect, or disease, or mental
 “ ailment, which should disqualify him from admission into the Public Service.”

(Signature.)

(Address.)

(Date.)

(B.)

STATEMENT respecting *(give name of Candidate in full)* a Candidate for employ-
 ment in the Civil Service of Canada.

Q U E S T I O N S .	A N S W E R S ,
1. Are you related to the Candidate, if so, what is the relationship?	
2. Are you well acquainted with the Candidate?	
3. From what circumstances does your knowledge of him arise?	
4. How long have you known him?	
. Is he strictly honest, intelligent and diligent?	
6. Is he of strictly temperate habits?	
7. What do you know of his education and acquirements?	
8. So far as you can judge, is his character in all respects such as to qualify him for Public Employment?	
Signature,.....	
Address,.....	
Date,.....	

I certify that the answers above written and the Signature thereto affixed, are in the proper handwriting of _____, and that the said _____ is a householder, and is a person worthy of credit.

(The above certificate to be signed by a Justice of the Peace, unless the Referee be himself a Justice of the Peace, in which case the certificate is not required.)

THURSDAY, 29th March, 1877.

Committee met :—Mr. CASEY in the Chair.

Mr. W. H. GRIFFIN, Deputy Head of Post Office Department, called and examined :

I have been virtually in my present position under different names for 43 years. I think the inside employés in my Department number 87. The limits of age prescribed by the Civil Service Act are 18 to 25. Special reasons must be given for appointments of persons between 25 and 40. If over 40 these reasons must be submitted to Parliament. It has always been a moot point how far these and other regulations of the Act apply to the outside Service. These regulations as to age have been generally observed in my Department in both the inside and outside service. Not one per cent. of nominations have violated this rule. Certificates of character, age, health, &c., are required from such candidates as come before the Civil Service Board. When they do not do so there is official enquiry into these points. I have no power to compel the examination of any employé sent to me, and I do not know officially whether he has been examined or not. There is no departmental examination in my Department.

The Act of 1857 was intended to introduce the competitive system to some extent, by providing open qualifying examinations, of the result of which an official record was kept, showing marks obtained by candidates; no one was to be appointed except from this list. The Act became imperative in this respect from the facility of examining and passing any one whom it was intended to nominate at the time of appointment. A provision that the examination should have been passed, say three months before appointment would have assisted in carrying out the intentions of the Act. The Act did not provide for appointment in order of merit; some weight should have been given to standing at these examinations in making appointments.

Promotion.

There are no examinations for promotion in my Department. My clerks are divided into four classes. The duties of the three junior classes cannot be discriminated with any accuracy from the nature of their work. They are therefore promoted from class to class by seniority after the expiration of the time fixed by the Act for service in each class. Conduct is of course, considered in making promotions. Bad conduct may keep a man back but good conduct cannot hasten his promotion before the fixed time. Industry and application can have no direct effect in hastening promotion. Promotion is always made after consultation with me; my recommendations are generally, though not always, taken; but I remember no case of a man being promoted contrary to my recommendation. My recommendation is based on seniority. I have no power to promote of myself. This refers to the three junior classes. A man cannot become a first class clerk by mere length of service or until a vacancy occurs, or a new clerkship of that grade is created. Promotions to these places are made generally in order of seniority, though a choice is permitted throughout the Department down to the most junior clerk.

Above the clerks come the Departmental officers. They are two classes:—

1ST CLASS :

Accountant;
Secretary;
Superintendent of Money Order Branch.

2ND CLASS :

Assistant Accountant;
Cashier;
Superintendent of Savings Bank.

The grades in the outside service are 1st Chief Inspector, Inspectors and Assistant Inspectors, forming the staff.

Then come Clerks in Inspectors' offices, Local Money Order Superintendent, City Postmasters, Railway Mail Clerks and Clerks in Post Offices, in that order.

The pinch of the Service is that the recruits we get are not of a class likely to furnish fitting material for the higher branches of the Service, after any amount of training. Consequently, these branches have to be sometimes filled from outside. The problem is to make the service attractive to a class of men who would furnish such material. It is a great misfortune to have to go outside the Service for men to fill these positions. I think the obtaining of such material as we get is an inherent fault of the present system of appointments, combined with the absence of inducements such as to lead young men of ability to enter the professions. A man entering the Service cannot count upon obtaining such prizes as do exist by meritorious conduct in the banks. A system of promotion by merit, apart from political considerations, would go far to remedy this. At present, when we do get good men, we often find that they leave the Service because their prospects are better in general business. The men now filling the chief offices in my Department have been, for the most part, promoted within the Department. As the Department grows larger, the proportion of men in it qualifying for the higher positions has tended rather to diminish than to increase.

Salaries.

I think men are kept too long on the lower salaries. These salaries are not sufficient to attract the more active and able young men of the country. We cannot get nearly the same class of young men that enter the banks. A young man would rather enter a bank at \$200 a year than the service at \$400 a year. This preference arises from the nature of the work and the chances of promotion.

Classification.

A great deal of the work in my Department is mere monotonous drudgery. The best men could do this no better than an ordinary copyist. It rather tends to lessen a man's fitness for higher work. Much of this work could be put into a lower grade. Such a separation, by permitting new men to go at once into the higher work, would facilitate the obtaining of better men for these positions.

Discipline.

I have no power, except in the absence of the Minister, to dismiss men for inefficiency or misconduct.

In regard to appointments, promotions, discipline and everything else, interference from outside is always for the worse.

(Signed)

W. H. GRIFFIN.

TUESDAY, 3rd April, 1877.

Committee met.—Mr. CASEY in the Chair.

Mr. GRIFFIN recalled and further examined.

Q. You say that the power of dismissal is in the Governor's hands?—Yes; the general power; and the Postmaster-General has, in respect to the Post Office service, a special power under the Post Office Act.

Q. As a matter of fact, have you ever experienced any difficulty from the lack of power to dismiss in enforcing discipline in your Department?—Never. Of course, there is more or less trouble in managing a great body of men.

Q. Do you think that if the power of dismissal was left in the hands of the Deputy-Head of the Department it would improve the discipline of the Service?—No; I do not think it would. There has been no difficulty on this point hitherto; though

it would depend very much upon the relations at the time between the Head and the Deputy-Head. I never had any difficulty myself. I can understand that some incompatibility between them might create a difficulty.

Q. Might favouritism interfere to prevent dismissal?—Yes. I do not think there is any disadvantage, however, in not transferring the powers to the Deputy-Head.

Q. But you can easily understand that, under our present system, favouritism might interfere with the discipline of the Department?—Yes.

By Mr. Macdougall (Elgin) :—

Q. You said something about transferring the power to the Deputy-Heads of Departments?—I do not think that any advantage, as a matter of system, would flow from that. I think it would put the Deputy in a false position.

By the Chairman :—

Q. In what respect?—If he had the power of dismissing a man his chief might want to retain, I do not think any good to the Service would accrue.

Q. You mean that it might bring about a clashing between the Deputy and the Head?—Yes; which would not be for the good of the Service.

Q. Might it not be for the good of the Service occasionally that a man should be dismissed, whom the Minister wished to retain?—I do not think it would promote the good of the Service to give the Deputy-Minister power to control the wishes of the Minister.

Q. Do you not think that the Deputy-Minister is the person who best knows the qualifications of the employés?—Certainly.

By Mr. Paterson :—

Q. I understood you to say the other day that no one was placed in the Department contrary to the wishes of the Deputy?—That no one as a rule was promoted.

Q. I suppose I may ask then whether any dismissal was ever made that did not meet with the approval of the Deputy-Head?—Never, that I can reach to mind.

Q. Then it is really a fact that the Deputy-Head is consulted on all matters?—Yes; as a rule on the matters of this nature. I am merely speaking, however, of my own experience.

By the Chairman :—

Q. You said the other day that recommendations of the Deputy-Head for promotion were sometimes not taken on those points?—Yes; but I wish to qualify that, by saying that when this happens it is almost always due to general political exigencies. Sometimes all promotions are suspended for a time.

Q. When your recommendations are not taken it is for political reasons that they are rejected?—Yes; what I apprehend to be political reasons of a general character.

Q. Have you know instances where those political exigencies interfered in your opinion with the interest of the Service?—Yes; they always do; that is, so far as you can say, the interest of the Service differs from the general interests of the country. I do not, of course, mean any reflection on the general policy of the Government.

Q. You mean the "interests" in having an efficient body of men for the Service?—Yes; as a way of managing a body of men it is not good.

Q. What is your general opinion of the effect of this political interference?—Any interference with the rules laid down for the good management of the Department for mere political reasons, is, of course, injurious, if the rules are to have a good influence on the Department.

Q. You have known instances where such interference has had a bad influence?—Yes.

By Mr. Macdougall (Elgin) :—

Q. In what respect; as to lack of mental capacity, skill, or what?—Well, the first Civil Service Act was passed in 1857; it was quite clear the new system would not begin to bear fruit for eight or ten years. Before that period elapsed all promotions were temporarily stopped for, I think, at least two years.

Q. You found that seriously affected the operations of the Act, and practically the efficiency of the Department?—We lost, in my opinion, the whole time that had

passed from the passage of the Act as respects much of its beneficial influence on the Service.

By Mr. Paterson:—

Q. Have there been any dismissals during the past few years?—Yes.

Q. Many?—Not a great many; they are a well behaved body of men for the most part.

Q. For what cause have the dismissals taken place?—Intemperance, I think, in all cases.

Q. In cases where a party has been dismissed for intemperance has any other person equally guilty been retained for political reasons?—Not that I know of.

Q. You think that politics would make no difference as far as the administration of the Department is at present concerned in the matter; that any one guilty of intemperance would be dealt with?—Yes; I never knew of any partiality.

By the Chairman:—

Q. Do you mean to say that you never knew partiality exercised in the dismissal of persons for political reasons?—No instance of such dismissal strikes me at present.

Q. That is not one of the ways in which political influence enters the Service?—No.

Q. You have known political influence to keep a man in the Department after he was not needed or he had become unfit for the Service?—Not ostensibly: not anything noticeable.

Q. Do you know, as a matter of fact?—I do not know any particular instance; I know nothing of political influence within the Department; I presume that I have the same knowledge that anybody else has, that a Minister will probably appoint his own friends; but there is no question of politics within the Department.

Q. You have found political influence to affect first appointments rather than promotion?—Yes; the question of politics never comes up in the Department.

Q. Do you think it possible to arrange such an examination in the Department as would test a man's fitness for promotion?—Well, that, (the fitness for promotion), is a matter of judgment, and depends a great deal upon the office to which you want to promote a man; I do not mean, however, the ordinary advancement from class to class; that depends on the conduct and not the qualifications.

Q. You do not think it would be possible in the three junior classes?—No.

Q. Would it be possible to test a man's fitness for promotion from those classes to the higher grades by that means?—I am inclined to think that it would be better to have the conditions that surround the first-class extended to the class immediately below, that is the senior second.

Q. What are those conditions?—Pure merit and general qualifications; you cannot really bring out by examination whether a man is intelligent, and ready and fit to direct and control other men; and those are the qualifications wanted in the higher grades.

Q. You could bring out what knowledge a man had of the duties of the Department by examination?—No, not very well; it must be left to the judgment of the Deputy Head, assisted by the other chief officers.

Q. Are there no positions in your Department for which a man's fitness in regard to his knowledge of the duties of the place could be tested by examination?—It would certainly be inexpedient to put a man in the higher grades of the Money Order or Accountant Departments unless he were proven to be a thoroughly good accountant.

Q. You could test a man's fitness for those positions?—Yes, if that were all required to fit a man for them.

Q. The question is whether it is possible to test and prove a man's ability for such a position by examination?—You could only partially test his qualification by an examination.

Q. You could test his fitness for an accountant's position?—You could test his qualifications as an accountant, but he might be a good accountant and book-keeper, and yet be unfit for the position.

Q. I do not mean to make the examination a reason for the promotion, but simply as a preliminary?—Then it would be useful.

Q. You think that for some of those positions, it might be useful in order to select a man?—Yes.

Q. In regard to superannuation, I wish to ask if the rules of the Act have been strictly enforced in your Department?—Yes; I know of no instance to the contrary.

Q. Has superannuation, to your knowledge, been improperly delayed?—No.

Q. Are there any persons in the Service who have long been unfit for duty that have not been dismissed or superannuated?—No; I think there are one or two that possibly might be superannuated for those reasons.

Q. But there are none at present in the Service who have been for a considerable time unfit for duty who have not been superannuated?—No. Of course it takes some time to come to a decided opinion on a point of that kind in many cases.

Q. Then you prefer not to express an opinion on that point?—Yes; as to present condition of particular men in this respect. But I know of no man who has been improperly superannuated, or whose superannuation has been improperly delayed.

Q. You cannot say, on the spur of the moment, whether such is or is not the fact?—No.

Q. To come back to the general subject of appointment: have you considered the question of competitive examination?—Yes, I have.

Q. Please give, in a connected form, your opinion of the system.—I have looked upon the English competitive examination as an advantageous system, its chief virtue being that it removes appointments from the sphere of political influences.

By Mr. Paterson:—

Q. Does it altogether remove them from that sphere?—At all events it limits the choice.

By the Chairman:—

Q. Do you think it would also secure a better class of recruits for the Service?—Yes; I think it would, if the Service were made sufficiently attractive. But the two things must go together.

Q. You think that competitive examination as a means of selection, and making the Service more attractive, are both requisite to the improvement of the class of recruits?—Yes; neither, of course, will work any great improvement unless accompanied by the other.

Q. In regard to the competitive system, have you considered whether it would be possible to make an examination suited to the wants of the country?—I have; you must not make the examination too strict, and follow the English plan too closely, as the general tone of education here is different.

Q. You could easily conceive of an examination suited to our circumstances?—Yes.

Q. And you consider such a scheme as applicable to Canada?—Yes. The examinations hitherto have, if I may use the term, been rather exclusive than inclusive—they have been rather to keep out incompetent persons than to test accurately the competency of persons who pass.

Q. If I have got your idea you think that reforms in the Service would be these: competitive examinations, increased pay in the lower ranks of the Service, and improved prospects of advancements, and the total abolition of political influence?—Yes, with regard to the promotion to higher grades; but I think the good effect would be felt in the future rather than immediately.

Q. I asked you the other day about grading the Service into mechanical and professional grades, and you seemed to express a partially favourable opinion?—It would not go very far.

Q. But do you think it could be introduced?—You would lose your means of training if it were carried too far. To a certain extent the post office service is a profession; there is a great deal to learn.

Q. Do you think there should be any change as to the age at which a young man should enter the Service?—I think the present rules are right in that respect. It is better to take young men.

Q. Would you advocate a limited competitive system or an open competitive system as practiced in England?—I think I should prefer the open system.

Q. You think it would be easy under the competitive system to institute as careful inquiries into character and such points as are now instituted?—Yes.

Q. That there would be no more reason to fear the introduction of improper characters into the service?—No.

By Mr. Paterson :—

Q. Does character come in as part of the examination in competitive examinations?—Yes; it always does; of course the inquiries of a Board, under the open system, would be more thorough and searching than they could be when you are dealing with the nominee of a Minister.

By the Chairman :—

Q. By whom do you think the competitive examination should be conducted?—I think it should be conducted outside the Service by a Board.

Q. Please give your further views on discipline?—Any system would, I think, fail, in which it was attempted to set up the Deputy as a check upon the Minister.

Q. Then you think that the power of internal management should remain with the responsible Minister?—With the Deputy, controlled by the Minister.

By a Member :—

Q. Giving the Deputy such power would be to put him in a false position?—It would put him in a false position to exalt him in any way above the Minister, or give him any independent power or authority.

By Mr. Paterson :—

Q. By making the Service “attractive” you mean increasing the pay?—No; I mean improving the prospects of arriving, by ability and good conduct, at what would be attractive results in respect to salary and position.

Q. Would the chances for promotion be any better under a competitive system than they are at present?—The two should go together; unless that were so, the men you would get under the competitive examination would not be the class you want; you would not get the proper class to come forward.

Q. But in order to have greater attractions the Service must be made more remunerative?—Yes.

Q. Would competitive examination result in securing a better class of men, a smaller number of whom would be able to manage the work it now takes a larger number to perform?—No doubt.

Q. You would secure a better class of employés, a smaller number of whom would accomplish much more than the present staff accomplishes?—I think so.

Q. You say that there is some room for questioning that the work, in some cases, is done as efficiently as it might be?—Of course it is not.

By Mr. Paterson :—

Q. That inefficiency would be more as regarded promptness than in correctness?—In every way there would be improvement.

By Mr. Roscoe :—

Q. When you speak of making the Service attractive, you partly refer to men from the outside not being placed over the heads of those already in the Department without some very good reason?—Yes; not without some very sufficient reason.

Q. Would you be prepared to say that outside talent has frequently been brought in?—It has frequently been brought in, and the men in the service have thereby lost many of the prizes.

Q. How?—What I call prizes are inspectorships, postmasterships of city offices, chiefs of branches, etc. The city postmasters require no great training like the others, but still they are prizes. If these prizes are given to outsiders there is nothing left for the reward of men in the Service.

Q. Do the clerks in the Post Office Department require any specific training?—
Yes.

Q. Do postmasters in cities?—They ought to have had it, of course; but they have assistants who have had post office experience.

Q. Would you appoint post masters in cities as rewards in the Service?—If you do not there is nothing left in the Service. If you do not you make the limit which can be reached to be a salary of \$1,600 or \$1,800, that is the ordinary limit, even if you have superior ability.

By Mr. Kirkpatrick :—

Q. How far would you extend the system of competitive examinations? I ask you to see whether you would extend it from the inside Civil Service at Ottawa to the outside?—But of course city postmasters belong to the “outside,” as you call it.

By the Chairman :—

Q. Would the remarks you have made with reference to the inside service apply to the outside service?—Yes.

By Mr. Kirkpatrick :—

Q. You would apply your remarks to the whole of the outside service?—I should recommend competitive examinations for the first appointment, and that of course would apply equally to the outside as to the inside, except to country postmaster-ships.

Q. Then the system you would like in Ottawa you would like outside also: competitive examinations, the test for appointments, and then successive promotions?—Yes.

Q. It would extend to wherever there is a fixed salary?—Yes; wherever you purchase a man's whole time.

Q. But not to country postmasters who may be storekeepers, or anything else besides being postmaster?—No.

Q. Then there is no part of the Post Office Department, except that of the country postmasters, which you would not bring under this system?—No.

WEDNESDAY, 3rd April, 1877.

Committee met.—Mr. CASEY in the Chair.

Mr. J. JOHNSON called and examined :

By the Chairman :—

Q. You are the Deputy Head of the Customs' Department?—Yes, sir.

Q. How long have you been in that position?—I have been in the Customs' Department since 1867; it is a little over two years since I was appointed Commissioner of Customs; previous to that I was Assistant Commissioner of Customs.

Q. Your first appointment was to the position of Assistant Commissioner?—Yes, my first appointment in the Customs; but my first appointment in the Civil Service dates twenty-one years back in New Brunswick.

Q. Would that position enable you to judge of the condition of the Service almost as well as the one you now hold?—Quite as much; I have had pretty much all the duties of the office to attend to since my appointment.

Q. How did that come about?—Mr. Bouchette, who was Commissioner, was getting infirm, and a great deal of his time he was unable to attend to his business, and all the business virtually passed through my hands ever since 1867, till I was appointed Commissioner myself.

Q. Can you give me a rough idea of the number of the employees in your department?—I have copies of the returns. In the inside service there are twenty-four, including the Commissioner down to the Messengers. In the outside service there are 918 actually appointed by Order-in-Council.

Q. All of whom are at present engaged?—Yes.

Q. How are appointments made in the department?—The appointments for the inside service are usually made on the recommendation of the Minister himself by Order in Council. In the outside service they are usually made on the recommendation of the member for the district or constituency in which the appointment is to be made.

By Mr. Roscoe :—

Q. That is the practical way of doing it, I believe; but theoretically the Minister is supposed to have all appointments in his hands?—Yes.

Q. The Minister, as a rule, chooses to take the recommendation of the member for the district?—Yes.

By the Chairman :—

Q. In which Service—the outside or in—do the salaries range the highest?—I could hardly make a comparison; the duties are so very different, and I cannot easily rank our clerks in the inside service according to analogous positions in the outside service.

Q. But I mean in which branch do you consider the chief prizes of the Service are?—There are more prizes, what I might call real prizes in point of salary, in the outside than in the inside service; still, the average salaries of the inside service are much higher than the outside.

Q. But there are more in the outside?—Yes; for instance the maximum salary of Collectors is put down here at \$3,800, which refers to Montreal.

By Mr. Roscoe :—

Q. What does Mr. Hammerly get?—\$3,200.

By the Chairman :—

Q. Are the rules in regard to examination before appointment pretty generally carried out?—No; they are not carried out at all in our Department, in fact, except with reference to the inside service; the rules respecting examination have hitherto, in our Department, only applied to the inside service, and in that case it is carried out; all our present staff who have been appointed since Confederation have undergone that examination; that is, the examination of the Civil Service Board.

Q. Then you have had no appointments during the last two years to the inside service?—No absolutely new officer; there was one officer appointed, but he had been in the Service as extra clerk for some time before.

Q. Have you any special examination in the duties of the Department which nominees are required to pass?—No, Sir.

Q. Neither in the outside nor inside branches?—No; we did have a plan two years ago, I think for putting candidates for appointment in the outside service through a special examination; it was carried out in a few cases but was found utterly impracticable under the system which had been adopted—under the system of recommendation for appointment, I mean. We could not depend upon getting the men appointed whose qualifications were the best, because of the political questions arising in the matter, and we found it quite useless to attempt to carry out the examination under such circumstances as those.

By Mr. Roscoe :—

Q. You mean that it was possible in some cases that the men recommended would not pass the best examination?—Yes; and yet they would, in a certain sense, be forced upon the Department.

By the Chairman :—

Q. At what date were those experiments tried?—I could not give the exact date; it was about two years ago; it was since my appointment as Commissioner.

Q. Were the examinations then to take place before the appointments?—Yes; after application, but before appointment; they did so take place in several cases.

Q. And I understand you to say that you found the system a failure on account of the political influences mixed up in the question?—We found it so far a failure that we could not depend upon the examinations being the test for ultimate appointment.

Q. Were any considerable number examined?—No more than three or four.

Q. Have you any recollection of whether they got along well?—In every case out of these three or four, except one, those that were appointed were pronounced capable of performing the duties.

Q. Four?—Yes.

Q. What was the nature of this examination?—It simply extended to a general acquaintance with the practical rules of arithmetic, the capability of writing a good letter, comprehending the principle of the Customs law, and a few other small matters like that. We did not consider it at all necessary to make it a searching educational test, as the Service did not require it.

Q. What qualifications would you consider necessary for the lower grade of the outside service?—Reading, writing and arithmetic, so far as the rule of proportion and practice and vulgar fractions; a little acquaintance with decimals would also be very desirable, but that is a very simple matter and easily learned in practice.

Q. Do you find now, as a matter of fact, that the men whom you get into the outside service under the present system of nomination are generally possessed of those qualifications to a satisfactory degree?—In the lower grades, I think not; in the higher grades in the outside service I think the qualification of those now in the Service—which would be the test of course,—are very fair as a general rule; I mean from the position of a landing waiter and searcher to that of collector.

Q. What do you call the lowest grade?—The lowest in point of salary is what we call a preventive officer, yet he is a commissioned officer; his duty, as the name indicates, is simply to guard the country from smuggling.

Q. Please mention those next in order?—Preventive officer, tide waiter, warehouse locker, landing waiter and searcher, surveyor, sub-collector, and collector; there are other occasional officers, but those constitute the general staff.

Q. You say that you think the lower grades are not as well qualified as they should be; to which do you refer?—I refer principally to the preventive officers, and I attribute that very much to the fact that they get such very small salaries that there is no inducement for a person well qualified to seek the position; and, generally speaking, they are by no means a useful class of officers; they do very little service indeed; their salaries range from \$60 to perhaps \$250 a year; and you can see there is no living in the matter.

Q. Are appointments always made to the lower grades, or is there any rule to that effect?—Oh, no; new men are brought into all the grades frequently.

Q. Is it common to appoint new men to the grade of collector, for example, instead of making promotions?—Oh, yes.

Q. Is it not the rule?—Yes; I should say it has been the rule; there are instances of promotion, but since 1867 I think the rule has been that new men have been appointed.

Q. Is that the general rule in regard to the higher grades?—The making of new appointments?

Q. Yes?—I can hardly call it a rule; it has been the general practice. When I say the "general practice," I mean that I think that the majority of appointments have been of new men—the minority being of promotions.

Q. Do you consider that this practice of making appointments of outsiders to the higher grades tends to discourage the zeal of those in the lower grades?—Decidedly; it must have that tendency.

Q. Do you think, too, that men promoted from the lower grades would be likely to know the duties of their offices better than new men brought in?—It would depend very much upon the men. We have always men who are capable of taking any position; but in order to carry out a system of promotion effectually, the whole system from beginning to end would have to be changed. We would require, in the first place, to guard the entrance to the Service by means of a proper examination. Then the appointments would have to be made independent of all political consideration. Thus, for instance, when a collectorship was vacant in Ontario we should have the privilege of calling a man from any part of the Dominion, already in the service, to fill the position; and from Ontario we should have the privilege in the

same way in regard to Nova Scotia and New Brunswick when the opportunity arose. Such an arrangement in the Customs service would be of the highest possible service to the country; because we all know that every Customs officer, however low his position, has a great deal of power in his hands—power with reference to the commercial community; and he can, supposing that he gets very intimate with a portion of the business community, render them services in an illegal manner without much chance of detection for a considerable time; or he can obstruct their business very materially. One idea connected with that interchange of officers would be that of preventing officers from becoming too well acquainted in the communities in which they are engaged. When a man goes to a strange place where he is not known and has no particular circle of friends he would be more apt to discharge his duties properly. No man can act independently when he is surrounded with his friends. I do not say that this happens in the direct operation of the customs; but I think the service would be increased in efficiency if the appointing power was in a Board, who, independent of all influences, could exercise some discretion and make this interchange that I have suggested.

Q. Do I understand you then to say that the present system of appointment scarcely gives you proper material for promotion?—Not so good material as we otherwise would have.

Q. On account of being sometimes compelled to take men from the outside?—That is not the reason why we do that; the reason is because of the pressure brought upon us to make certain appointments.

Q. Do you mean that you never have any difficulty in getting proper material for promotion?—We would not if we had the privilege of selecting from all parts of the province.

Q. What about the pressure of which you speak?—It is simply this: The patronage is virtually in the hands of you members of Parliament; the pressure is brought to bear upon you and you bring the pressure on the Government; you are surrounded with the parties who are applicants. I speak it with all modesty, but I think it places members of Parliament in unpleasant positions to look after such matters, and it does not give them really any more political popularity. My thoughts have been led into that channel perhaps more from examining into the nature of the regulations and laws which prevail in England, than from any other circumstance. The whole customs laws in England were consolidated last year, and on examining the law as it now stands you will find that all the power of appointment is vested in the Commissioners of Customs who are entirely outside of political influences. The appointments, dismissals, promotion and everything is vested in those Commissioners.

Q. Who are the Commissioners?—They are a body appointed by the Government—life appointments.

Q. They are not members of the Service?—No; nor members of Parliament. They have no political status whatever. I think there are five of them, but I am not quite certain.

By Mr. Burpee :—

Q. What are these especial duties?—To take the Customs Law and administer it, and all appointments are made by them from the list of persons who have undergone examinations. In England they have what are called competitive examinations. The parties who undergo that examination and are approved of, get graded to certain classes and are placed on an indexed list, and from this list all appointments are made by the Commissioners. I do not think that that system could be carried out in this country in its entirety; but a system of competitive examination adapted to each particular Department could very easily be devised and carried out. Some Departments would require a much higher grade than others.

By the Chairman :—

Q. Do you think your Department would require any special examination?—It requires, I think, that every man should be a good arithmetician and possess the other qualifications that I have mentioned.

Q. Do you think higher standards are required in other Departments?—I think not. The Inland Revenue Department requires as high a grade as any other.

Q. Do you think that a uniform examination could be instituted which would fairly test the qualifications for the lower grades in the different departments?—I think so.

By Mr. Burpee (Sunbury):—

Q. Do you think there should be a special test for each Department?—I would have a special examination for all persons seeking for promotion. If it was thought desirable to promote an officer from a lower to a higher grade I would have an examination through which he should be obliged to pass.

Q. Is there any such examination at present in the Department?—No.

By the Chairman:—

Q. Can you arrange any such examination in your Department in such a way as would be a proper test of fitness?—Oh, yes; very easily.

Q. In both the inside and outside service?—Well the examination in the inside service is all-sufficient when it is passed through. Any young man that can pass the examination before the Board of Examiners is qualified for any duty that he may have to perform in the higher grades of the inside service.

Q. Are there positions in the outside service in which special scientific knowledge would be useful or requisite?—Yes; I did not mention in the list of officers the peculiar position of appraiser. It would be very desirable in the case of appraisers that they should have a considerable amount of chemical knowledge. If they were good chemists it would very often facilitate our business very much.

Q. What other knowledge would be useful—business or commercial experience?—Commercial experience would be very valuable in any of the offices in the outside service of the Customs.

Q. Does an appraiser's duty ever require him to value goods that are not very common in the country and would require to be specially tested?—Yes; very frequently.

Q. Goods in which the invoice would be no guide to their actual value?—It very frequently occurs. Frequently goods are composed of different materials, and the different materials are subject to different rates of duty. It is very desirable that an appraiser should be able to detect those different materials, which could often only be done by a knowledge of chemistry. That is particularly the case with reference to liquors and sugars. There are many articles coming into the country in which there may be detected so large a proportion of sugar that would make them liable to the sugar duties; whereas they often pass at a lower duty in consequence of the want of knowledge on the part of the officer.

Q. Is there any examination at present for the position of appraiser?—No, sir

Q. Neither for entrance nor for trial in the position?—None whatever.

Q. Do you ever experience any difficulty from getting inefficient appraisers?—We have had cases of difficulty.

Q. As a matter of fact there is no safeguard against getting an utterly ignorant appraiser?—Well, there is just this: that parties in whom the patronage is vested, will, generally speaking for their own sakes, refuse to recommend an utterly incompetent man. They may be examined as to the question of a man's qualifications.

Q. But I understand you to say there is no check upon free appointment in this matter?—No.

Q. Is that of appraiser the only position in which special qualifications are requisite?—The same qualifications would apply to almost all collectors, because the collector is, in point of fact, appraiser of his port except where a special appraiser is appointed, and the large majority of our ports have no appraisers. The duties then devolve upon the collector; and it is also desirable that the landing-waiter have the same knowledge because the same duties might occasionally devolve upon him.

Q. For instance, do such ports as Clifton have special appraisers?—No.

Q. Do Windsor?—No; we have appraisers at London, Hamilton, and, of course, there are two or three at Toronto. At Montreal we have four, besides assistant ap

praisers. At Quebec there is an appraiser and an assistant. St. John, Halifax, and Charlottetown also have an appraiser each. I think those constitute all the ports at which we have appraisers. I should have included Winnipeg and Victoria, in the list, however.

By Mr. Church :—

Q. Have you one at Pictou, Nova Scotia?—No, sir. In all the other ports the duties of appraiser devolve upon the collector.

By the Chairman :—

Q. Do you consider that there is considerable loss and risk to the revenue from the lack of special knowledge on the part of appraisers?—I do not think the risk is very extensive; I do not think the loss could extend to any very large amount.

Q. It would depend altogether upon the amount of special articles coming in at any particular port?—Yes, sir.

Q. But suppose a man chooses to import articles requiring chemical analysis at places where he knew there was not an appraiser, would there not be a risk of his getting them in at a lower rate of duty?—Yes; a great risk, and the probabilities are that the duties would be lost. But the principal losses which are probably sustained from the want of a perfect system of appraisement is in the undervaluation of ordinary goods. That renders a commercial knowledge necessary to a correct discharge of customs duties, so that the officers might be able to judge as to whether goods are really undervalued or not.

Q. Speaking generally of the whole system of appointment and promotion, I think I understand you to say that you consider a strict entrance examination and a free general system of promotion by merit, are necessary to the efficiency of the Service; is that your opinion?—Yes; I am decidedly of that opinion.

Q. By a free system of promotion, I mean appointing from one part of the Service to another?—Yes.

Q. Are such promotions as are made, generally made upon your recommendation to the Minister of the Department?—No; the Deputy Head has very little influence in reference to appointments. We lay before the Minister the applications and the recommendations, and so forth.

Q. For promotions?—No; for appointments.

Q. I was speaking of promotions?—Well, no; the same rule applies in both cases.

Q. That promotions originate with the responsible Minister?—Yes, generally.

Q. Has it been the usual practise to ask the Deputy Head to report on cases when promotions are thought of?—I do not think it has been the general rule, but it has been done occasionally.

Q. Do those remarks always apply to the outside service?—Yes, altogether.

Q. Do you feel qualified to speak of the capacity of nearly all the individual employés; have you the means at hand?—Not always with reference to the lower grades. I presume I could give a pretty correct opinion with reference to a man holding the position of Collector or sub-Collector with whom I might have communication. But I have no direct communication with men in the lower grades.

Q. Who could then report on their qualifications?—The Inspectors are the best qualified, and have the best opportunities for doing that.

Q. Have you ever known any one to be promoted contrary to a recommendation on your part?—No, Sir.

Q. Who had been reported as being inefficient?—I have no recollection of any instance.

Q. I do not understand distinctly whether you said you were generally asked about promotions or not—were you generally consulted?—I am generally not. I had better say in reference to that, that when a vacancy occurs it is a very general rule with us to get an Inspector to make a report with reference to the case. If a man is to be promoted in the outside service we generally take the means to communicate with the Inspector and ascertain what his qualifications are.

Q. You mean that when it is proposed to promote a man you generally get the Inspector to report in regard to him?—Yes. I might perhaps mention as an illustration the case of Toronto. Very recently the surveyor, an old valuable officer, died, and before any appointment was made we sent to the Inspector and had him make a report with reference to the efficiency and standing of the whole staff at that city. The fact was, afterwards, that there was a general promotion on the report. An officer who had been acting as chief clerk was appointed to be surveyor, and the others went up according to their merits.

Q. How long was that ago?—Only within the last three months.

Q. Then there was really an attempt there to follow merit in making the appointments?—Yes; and I think rather successfully.

Q. Are you familiar with the arrangement adopted in the Inland Revenue Department of requiring examinations for appointments to certain grades, and of giving an extra salary to persons passing a certain examination?—I have not given any attention to that. I am only aware of the general fact that they have such examinations.

Q. Are there any remarks you would like to volunteer?—I don't know of anything further. The general points upon which you have examined me have been those upon which I would like to have spoken. Perhaps I might mention that the great difficulty we have in the outside service of the Customs Department is from the drinking habits of a good many of the men. If any possible means could be devised to prevent them from using liquor we should have a much more efficient Service.

Q. What are the means for enforcing discipline in your Department?—When a complaint is made against an officer, we require a collector, if the person complained against is lower in grade than the collector, to make a report of the whole circumstances; and if it be necessary we appoint an inspector, or some other person if the inspector is not available at the time, to make an investigation and to report upon it. And by these means we generally look into the merits of the case very successfully.

Q. Then to whom is the report made?—To myself usually, and I examine the matter over again and report to the Minister.

Q. And, as a matter of fact, is your report accompanied by a recommendation for dismissal or retention?—Usually.

Q. Is it generally followed?—Generally; always, I might say.

Q. Have you any difficulty in enforcing discipline?—Oh, yes. This difficulty arises from the same causes which makes it difficult to have a proper selection in the Department.

Q. These are —?—Political influences which are brought to bear on the matter.

Q. Has a man of good habits, of industry and application, any considerable advantage over another in the work of the Department—any greater chance of promotion?—I should say he had decidedly. If we know a man to be dissipated, and consequently I don't think any influence would ensure his promotion.

Q. His bad conduct would prevent promotion?—Yes.

Q. Would good conduct ensure promotion?—Not necessarily; it may be prevented however meritorious a man might be.

Q. Chiefly by the importation of outsiders?—Yes.

Q. On the whole do you consider the system as now, so arranged as to give proper reward to zeal and application and industry in the Service?—It is so arranged as to make that possible, but not so as to make it certain.

Q. As a matter of fact do you think that civil servants do get their due reward?—I think not in all cases; not perhaps in the majority of cases.

Q. As to salaries; give your general opinion as to the sufficiency of salaries from the lower grades upwards?—With the exception of officers who are not expected to devote their whole time to the Service, I am of the opinion that the salaries are very fairly proportioned. Of course there may be and are, doubtless, individual cases in which men of merit are kept at a lower salary than they deserve, but there are none of these salaries that would not constitute a great inducement to a great

many outsiders to look for the office if it was vacant—and even men capable of filling the positions.

Q. Do you think, in general terms, that the average run of salaries is such as to attract the sort of material you would wish to come into the service if a system of appointments was properly arranged?—I think so.

By Mr. Church:—

Q. On what principle do you arrange the amount of salaries of these officers, say collectors, for instance?—We appoint salaries, as a general rule, in accordance with the business of the port. In 1867 I suppose you are aware there was a Commission appointed to report upon the Civil Service, and, amongst other things, they adopted a certain scale of salaries for the Customs ports. But that scale of salaries was very crude in its character, and could not be carried out in its integrity by any means. If it were carried out according to the scale laid down, a great injustice would be done in many cases.

Q. Do you take the exports and imports as the basis?—Yes.

Q. And the whole general work?—We have to consider the general work, because the mere amount of the duty collected at a port is not a proper index to the amount of work actually to be performed. At a seaport, for instance, there is a vast deal of real, actual work, which yields no revenue whatever. The same thing is true where there is a junction of several railroads. But I can hardly go into details just now. We have necessarily to take all these things into consideration, and judge of the requirements of the case. The amount of revenue collected is, however, the principal item in consideration.

By Mr. Aylmer:—

Q. You say that those men who are not expected to devote the whole of their time to their work, have lower wages than the men who were obliged to give their whole time. Are they supposed to be allowed to do any other kind of business for themselves?—Oh, yes; all the officers under \$1,000 a year are allowed to use their spare time to earn money for themselves in addition, except under certain conditions which we have in the rules and regulations. We don't allow any man in the Customs—it is contrary to rule, at all events—to be engaged in any commercial pursuits, and it is also contrary to rules to engage in any municipal contest; indeed, they should not run any election at all of any kind. They might, however, be allowed to accept an appointment by a municipal council in some cases where it did not involve any of the considerations which stand associated with an Election Board.

By the Chairman:—

Q. A Sanitary Board, for instance?—Yes.

By Mr. Aylmer:—

Q. He might take a Secretary-Treasurership?—Yes; although by the strict letter of the law he is forbidden.

By the Chairman:—

Q. Is not that rule strictly carried out?—As far as we have information, there have been one or two cases in which we have had complaints of parties serving in the capacity of councillor or reeve or something of that kind of municipal office, an electoral office; and we have gone so far as to permit him to serve his term out rather than to put the whole affair to inconvenience; otherwise, we never give them the slightest permission contrary to the rules. I will quote for you the two rules on the subject:—

“2. Officers of Customs are not, either in their own name, or in the name of, or in company or in partnership with any other person, to trade as merchants or as factors, agents or brokers for any person, or in any goods, wares or merchandise whatever, or in any matter whatever affecting the Customs.”

By the Chairman:—

Q. Is that rule observed?—As far as my knowledge extends it is; we have had one or two removals in consequence of finding that they were engaged in commercial pursuits.

Q. Do you take special means for finding out?—We have the continual reporting of the Inspectors, who, if they find any deviation from these rules, will let us know.

Q. I would like to know what the Inspectors' duties are?—They have a general supervision over all the business of the port. He has first of all to see that the books are properly written up; then he has got to examine all the vouchers connected with these books and accounts, to see that every thing has been duly accounted for; to go back to the original reports and manifests; find out whether all the goods reported have been duly entered; and, generally, he is to find out whether there is anything contrary to law or the regulations existing in any port; if so, it is his duty to see that it is corrected at once, and report to the Department if necessary.

Q. Then he goes around to each port for this purpose?—He is supposed to go to every port.

Q. In his Division?—Yes.

Q. How frequently?—There is no specified number of times in the year; he may have to go to some one port half a dozen times in the year, and to another port a single visitation would be sufficient; it much depends how he finds the port on his first visitation; the second rule I referred to, No. 10 of the General Instructions.

“10. No Officer of Customs is allowed to hold any corporate office, nor to interfere in political questions, either local or general.”

That, you observe, might admit of a man holding the appointment of Secretary-Treasurer, or something of that kind, because in a certain sense it is not a “corporate” office; it is a mere appointment. But we don't often sanction that where we are aware of it.

Q. Do you consider the work of your Department, speaking of the outside service, specially hard on the health?—I may answer that question generally in this way: that I consider the service generally as not hard on the health. There are cases in which officers have got to be out on duty at night. In such cases they may be exposed to storms and other things which might be injurious to health.

Q. As a matter of fact, do you find that they wear out rapidly in that Department?—I think the contrary is the truth. I think it is a service in which a man can have as good health as in any service in the world.

Q. Is not good physical health necessary?—Very desirable, and indeed necessary.

Q. Something above the average. I don't merely mean that he should not be sick, but that he should be a strong, vigorous man?—Activity more than strength is what is required.

Q. Is a medical examination required for entrance?—No.

Q. Do you think it would be desirable to test the soundness of a man's constitution?—I think it would be desirable in all cases.

Q. What is the limit of age of appointments?—The limit by law is 18 years. No man enters the Civil Service, that I am aware of, who is not over 18 years old.

By the Chairman:—

We were told in the Post Office Department the limit was 25 years, and that in your Department it was 45 years.

By the Witness:—

I am not aware of any absolute limit in our Department. We consider it very desirable that no man should be appointed who is over 45. In fact we have used special endeavours to prevent a man being taken into the service who was over 45 years.

Q. Do you consider as a rule that 25 is a good average at which men should be appointed?—I would as soon take on a man at 35 as at 25 years.

Q. As far as vigour is concerned?—Yes.

Q. But don't you consider that the public would get more work out of a man who joined the service at twenty-five, during his life time, than out of one who joined it at thirty-five years?—Yes.

Q. Should a man as early a twenty do work in the service?—For the more important work I should think not.

Q. But I am speaking of the lower grades?—Yes; but you cannot expect a man to be efficient at twenty years.

Q. Can you give me your opinion of the age limit such as would give the longest effective period in the service, with fair efficiency at the time of entering—entrance being at the lowest grades?—I don't think I can answer that very well; it would require some examination of vital statistics.

Q. Do you think from twenty to thirty would be a fair limit?—I should judge one would get more service during a life time from that limit than from a later period.

Q. I see superannuation runs some pretty good ages as a rule—one class averages seventy-five years?—Yes.

By Mr. Aylmer :—

Q. How is superannuation arranged—by the age or years of service?—A man cannot be superannuated legally, unless he becomes a subject of some mental or bodily infirmity, or meets with some accident, until he is sixty years of age.

Q. No matter how long he has been in the service?—No; after sixty a man may be superannuated at any time, for any cause whatever.

Q. But suppose a man enters the Service at thirty-five and is superannuated at sixty, would he receive the same superannuation allowance as a man who entered the service at twenty-five and was superannuated at sixty?—No; he only receives 10-50th of his salary.

By the Chairman :—

Q. Please give the general rule?—The allowance is two per cent. a year; two per cent. is the amount we pay out of our salaries to provide for this fund.

Q. And what is the allowance?—It is 10-50th of his salary; that is to say, a man cannot be superannuated who has not served ten years; then he gets 10-50th; if he got \$100 a year salary that would give him \$20.00 superannuation; that is really two per cent. per annum.

Q. That is the regular rule?—That is the law; in connection with that, the law leaves it in the discretion of the Government to add a number of years to a man's time of service who has entered the service at forty years of age for any special qualifications for which he may have been chosen. If he served until he was sixty years of age, he would have nineteen years' service. The Government might add ten years and make it twenty-nine years' service. Or they might add any portion of the ten years, 2, 3, 4, 5, as they please, according to the merits of the case, but they cannot exceed ten years.

By Mr. Aylmer :—

Q. Are these additions very often made?—Very seldom.

By Mr. Roscoe :—

Q. Only in very exceptional cases?—Yes.

By Mr. Church :—

Q. As a rule you would not care to appoint to the office any man over 45 years old who had not been in the Service previously?—Not to any office. We don't like to take a man over 45 years.

By the Chairman :—

Q. Do you know instances where that has occurred?—I don't remember just now; but I think there are not many of them.

Q. Do you know of any difficulty in making superannuations from the same influence you spoke of as affecting appointments and promotions?—Yes; that pervades the whole Service. In every movement we make, that difficulty is ever present.

Q. A sort of a night-mare?—Yes.

By Mr. Aylmer :—

Q. Is it a fact that when an Inspector reports a man as inefficient, and that it would be better to get rid of him, that political influence is brought to bear to superannuate him instead of discharging him altogether?—I am not aware that it operates that way.

By the Chairman :—

Q. You have never known a man to be superannuated who ought to have been dismissed?—Oh, no. The fact is, there is a certain limit of forbearance. When a man becomes too bad, we would set aside political and every other influence, and let him go.

Q. It is only when he is pretty bad that political influence can be set aside?—Necessarily so, I think.

Q. I would like to ask you your opinion about improvements. You have already stated that entrance examinations would be necessary?—I think so.

Q. I understood you to say that the competitive system, as it exists in England, would be difficult to carry out here?—It could not be carried out here.

Q. Would you please go into some little details for your reasons?—I would have this objection to it: That it would attract the attention of a large number of young men to the Civil Service, to their detriment. They would go in for these examinations, and their attention would be withdrawn from other means of establishing themselves in life. And the number of vacancies would necessarily be nothing in proportion to the number of such applicants. Hence, these young men, instead of being benefitted by it, would be injured. You will observe that when once a young man has found his name on the list of candidates for appointment, he would feel: "I have only to wait a little time, more or less, and I am sure to get into the Civil Service." In the meantime, if he had his eyes open, and his friends were exerting themselves, he might get better employment somewhere else, but the opportunity for which he would lose in consequence of his attention being thus detracted.

Q. But suppose he was appointed immediately after his examination, he would know whether he could get an appointment or not, and that the matter was final. That would do away with that objection.—That is what I advocate. I advocate that an examination should take place when there is a vacancy,

Q. And that only those required for this particular vacancy should have any claim on the Service?—Yes.

Q. That would obviate that difficulty?—Yes.

Q. At all events that is a difficulty with regard to the candidates and not with regard to the Civil Service?—Precisely.

Q. Do you not think, however, that the examinations could be so arranged that the knowledge acquired in working up for them would be useful in any section of business afterwards?—Unquestionably, if you could find a case in which a young man would have equally exerted himself without that incentive.

Q. What I mean is: do you consider that the acquirements of the knowledge a waste of time on the young man's part?—Oh, no; the acquisition of any knowledge cannot be a waste of time.

Q. So far, your objection refers to the candidate himself. As to the interest of the Service, do you think a competitive system of examination would give you a better class of men than you have now?—Educationally speaking, it would.

Q. Do you see any reason why you would get a worse class of men in any other respect?—There is a possibility that it might exclude some very deserving young men who could not afford the time nor the means to secure a good education.

Q. That might be. But of course every system must exclude some deserving young men. The present system excludes a great many?—Yes.

Q. Not speaking of those whom it excludes, do you think the class which it would bring into the Service would be superior to that now?—I think under any system of examination the class of officials would be improved.

Q. The competitive system, as you are well aware, brings in only the best of those who succeed in passing certain examinations. Do you not think the chance of getting good men would be equally great amongst comparatively highly educated men as amongst those that are chosen at random?—I think so.

Q. Do you think a year's probation would be sufficient to test particular qualifications?—Oh, yes; in our service it would.

Q. Do you think that a system of competitive examinations, combined with pro-

bationary appointments, making a continuance dependent upon particular qualities shown during that year, would be a very effective means of getting good employees?—If carried out in its integrity it certainly would. But I am afraid it would not. Apart from political influences a man becomes attached to the service, and a probationary would be found to be against the fact that there is a very great reluctance to remove an employée.

Q. I would call your attention to the provision of the law of 1870, in England, by which it was provided that unless there was a favourable report, a man's appointment lapsed as a matter of course. Do you think that such a provision would meet the case?—Yes.

Q. No dismissal was required you see, unless there was an especial favourable report there could not be any confirmation of the appointment?—I think that would be useful.

Q. You would be prepared, as between the present system and such an one as I have mentioned, to advocate the competitive system with this additional particular test?—I would if we could not get a system better adapted to our circumstances. My idea would be not to have the examinations made general for the whole service, but to have it adapted to each particular Department.

Q. A competitive examination for each Department?—Yes.

Q. You would not restrict candidates for examination to persons nominated by members—would you or would you not?—I would like to do away with that system of nomination entirely, to take it away root and branch. And more than that, I would not expect any man in our branch of the Service to present a petition from the commercial community for his appointment. I consider that is the worse kind of recommendation a man can get; and that is a very common practice. An office becomes vacant and a man goes round and gets a number of persons to sign a petition for his appointment. These are the very men with whom he has to deal. The Customs service is to a certain extent a warlike service. Every man in the Service is considered like an enemy. I cannot say why it should be so; it should not be so, but that is the feeling. There is an effort to conciliate the officers and get them under an obligation to them if they can, so that they will get things easier for themselves. I don't say this with reference to any particular fact, but merely reason on the tendency of the matter.

By Mr. Aylmer :—

Q. Don't you think it would be a mistake to have too high a standard for admittance—that it ought to be just sufficient to see that the applicants were qualified for the office?—Decidedly. The examination should be confined to just such branches of education as would be essential for the duties.

By the Chairman :—

Q. Supposing you had an examination of that kind as preliminary, an examination showing the bare qualifications of the man, do you see any objection for a man, after he is appointed, to be examined in a higher branch when it is intended to promote him?—I would consider that the higher a man's education was, the better would, naturally, be his qualifications.

Q. So that a system of joint examinations and actual test would, probably, get the best men?—I think so. There might be instances in which it would operate otherwise. Sometimes a man has a great show of education, which would enable him to pass any examination, when really there was no substance to his education.

Q. Could not that be tested by the probationary system?—I think so.

By Mr. Aylmer :—

Q. How would you propose, if you have objections to nomination, that persons should present themselves for examination. Would you leave the thing open and permit any man to come forward?—Certainly, you could not restrict it; I do not see how you could.

By the Chairman :—

Q. You would require certificates as to character?—That constitutes a part o

the examinations. A medical certificate is required for every man now who presents himself for the inside service.

By Mr. Aylmer :—

Q. Do you not think that the highest certificate a man can give is his nomination by a member? He is responsible that the man he nominates is fit for the position?—If he was an independent man he might be so. I do not think that a recommendation by a member of Parliament should, in all cases, be taken as a certificate of character. The practical working of the thing has proved that it should not be so taken.

*Mr. Aylmer :—*It is not hard for a man to get certificates of character?

*The Witness :—*We would first of all have to get a certificate of character of the member himself.

*Mr. Aylmer :—*You have that in his being returned to Parliament.

*The Witness :—*I am speaking on general principles entirely.

Q. Do you not think that because he is sent here it is pretty good evidence that he is a man of good character?—I know myself I have voted for a man I would really much sooner not have voted for.

By the Chairman :—

Q. Then there is the difficulty that the member might not always know intimately the character of the man he recommends?—Oh yes.

Q. Do you not think that the examinations of an independent board would be much better?—I think that the certificate of a clergyman and one or two independent parties, received in connection with the application, as to a man's general character, would be more reliable.

Q. Than his nomination by a member?—Yes.

Q. Supposing the certificates were not satisfactory, don't you know that the examinations of an Examining Board, with power to send for persons and papers, such as an Examining Board would have, would be a much more thorough means of sifting a man's character than a member would have?—Certainly.

Q. Have you ever found among the employes of the outside or inside service, any inconvenience arising from political feeling on their part, or from the expression of it, as creating difficulties between them and their superiors, or that it has hindered them in the discharge of their duties?—I have not any instance of that kind; I think I have had complaints made with reference to officers, in which it has been alleged that they were actuated by political feeling, but never of any serious character, and never in such a shape as that it would require any Departmental action.

By Mr. Roscoe :—

Q. You were not forced to take any action in it?—No.

By the Chairman :—

Q. Do you find, as a rule, that employes in the Service keep pretty clear of politics?—I think the general tendency is to keep pretty quiet; I think when men once get into the Service they feel like throwing away their old political proclivities and keeping themselves quiet for their own sakes. That I think is the general rule.

*The Chairman :—*That is an important point because we have heard the reverse was the case.

*The Witness :—*No; there may be cases of the kind, but they were never the subject of any Departmental action. I don't think I mentioned, in reference to these examinations, these competitive examinations, that I would make every man's promotion dependent upon a second examination.

By Mr. Roscoe :—

Q. From one class to another?—Yes.

By the Chairman :—

Q. You are speaking of your Department?—Yes.

*The Chairman :—*Some of the other heads of the Departments did not see how this could be arranged.

The Witness—It might not be applicable to all promotions; for instance, a man promoted from tide waiter to landing waiter, where the duties are the same in both cases, would not of necessity be examined the second time; but supposing a landing waiter was promoted to be an appraiser, I would subject him to an examination as to his qualifications for the peculiar duties of waiter before giving him the position.

By the Chairman :—

Q. Even in cases where the duties are the same would not an examination be useful as showing that the applicant had fairly learned them?—It would be; a repetition of the examination would at all times be useful; and in making such an arrangement the better way would be to make it general.

Memorandum shewing number of Customs employés in each class of the Outside Service who were appointed when over forty-five years of age :—

Classes.	Appointed when over 45 years.	Total of all ages.
Collectors.....	37	135
Sub-Collectors.....	47	123
Surveyors.....	2	17
Appraisers.....	16	33
Clerks.....	11	110
Landing Waiters.....	67	208
Lockers.....	14	47
Tide Waiters.....	14	78
Preventive Officers.....	44	122
Tide Surveyors.....	<i>nil</i>	5
Registrars and Shipping.....	<i>nil</i>	1
Gaugers.....	1	4
Samplers and Weighers.....	1	5
Packers.....	3	14
Engineers and Firemen.....	<i>nil</i>	2
Boatmen.....	<i>nil</i>	5
Messengers.....	3	9
Inspectors.....	1	3
	261	921

(Signed)

J. JOHNSON.

Commissioner.

CUSTOMS DEPARTMENT,
OTTAWA, 7th April, 1877.

THURSDAY, APRIL 5th, 1877.

Committee met.—Mr. CASEY in the Chair.

WILLIAM SMITH called and examined :—

By the Chairman :—

Q. You are Deputy Minister of Marine and Fisheries, Mr. Smith?—Yes, Sir

Q. How long have you held that position?—Since 1867; since Confederation

Q. At what time did you enter the Service?—In 1840.

Q. I mean the Canadian service?—In 1842.

Q. I understand you were at one time in the English service?—Yes.

Q. For two years?—Yes.

Q. What is the number of employés in the inside service of your Department?

—We have twenty on the staff and five extras. We find it is useful to have the extra clerks, and we do not always fill a vacancy with permanent employés, because we find good men among the extras. We sometimes get good work out of them at less pay.

Q. Are the duties of those extra clerks different from those of the permanent members of the staff?—No difference whatever; we utilise them for whatever they are suitable. We had one man who understands five languages, and we use him as a translator and to write a great many letters, as he is a fine writer. I try to exclude everybody out of our Department who is not a good writer. My principal object is to have men who are well educated, intelligent, and write well. I cannot tolerate having to sign my name to bad writing. I always look out for men and recommend them who are of steady, industrious habits and are good writers.

Q. Do I understand you to say that you have a certain amount of selection yourself?—It so happens that I have got a number into the office.

Q. Of your own choice?—Yes; I have recommended them. When a person applies to me to do anything for him, I make him write a letter of application applying for a situation, and I put that on record in the office. If he is a bad writer I never trouble any more about him. I would oppose him as much as I could.

Q. I suppose the extra clerks are paid less than the regular staff?—We just pay them according to circumstances. The man whom we use as a translator in the Marine Branch we took in at \$1.50 a day; we afterwards gave him \$2.00, and when he was about to leave for the purpose of doing better for himself we gave him \$2.50, and he is worth it.

Q. Do you think that in the inside service there could be a division of work into mechanical work as distinct from work requiring a special training. For instance, could you not call letter copying mechanical?—We do not confine the clerks to any particular class of work, but use them for all purposes.

Q. But do you think the work could be so divided?—No; we have indexing of books, which is very particular work, and a single mistake would cause great difficulty.

Q. And you want as good a man for that work as anything else?—Yes; but it does not require as good hand-writing as is required for writing letters.

Q. Have you much letter copying in your Department?—Yes; we have a great deal of copying.

Q. Could not that be made a grade by itself?—Not very well, because we utilise the staff according to pressure, and change them from one job to another.

Q. In England, I understand, they have a class of men called writers whom they pay so much a week?—Yes.

Q. Do you think that could be arranged in your Department?—Yes; we always have work enough for three or four of that class.

Q. Do you think, if such an arrangement were made, that it would be an advantage to your higher class of employees to be free from the mechanical drudgery?—We do not employ our high class officers in that kind of work.

Q. Would it be to the interest of the Department to set this mechanical work apart by itself?—I don't know that it would; because we begin them with that, and as they show an aptitude for other work we raise them to it. I think, however, that a class of men could be got such as they have in England, called writers, who could be used for that purpose, and paid by the week, and never promoted higher unless they were appointed permanently to the Service.

Q. Do you not think that that would, perhaps, be economy?—I think it would. We are virtually doing it now. We have five extra clerks in the office.

Q. I suppose that appointments to the inside service of your Department are made on the recommendation of the Minister?—I could tell you all the different appointments that have been made if you like. Speaking generally, however, I may say the Minister and myself confer on the subject. Sometimes the Minister has known of a suitable person, and sometimes I have.

Q. Then you have generally been consulted in regard to appointments?—Yes, Sir. I advertised once for a shorthand writer, and obtained a good one. I did not state in the advertisement that he was required for the public service.

Q. Is there any examination for entrance in your Department?—The law provided an examination, but it has never been carried out. I think we only have two

that passed an examination. I have sent persons over to the Examiners on several occasions, and told them to let me know when they would be ready to examine the candidates, but the law is practically a dead letter as it is at present.

Q. Can you compel them to submit to this examination before taking them into the Department?—The law says it should be done.

Q. But there are no special means of putting the law in force?—No; I have sent them over to the Examiners, but we have only two officers who passed an examination.

Q. What qualifications would you require in a clerk?—I would require him to pass an examination to prove that he was an educated man,—an examination similar to the one in England, but perhaps of not such a high standard.

Q. Will you please particularise a little?—I would have them examined in three subjects, and require them to pass in two out of the three: French, book-keeping by double entry, and shorthand, besides the ordinary essentials of an English education.

By a Member:—

Q. Would you make these optional subjects?—No; I would require them to pass in two out of the three.

Q. Would you make an examination of that kind compulsory?—Yes, Sir.

Q. Don't you think it would be difficult to get men under such a system?—If the Service was thrown open, there would be no difficulty in procuring plenty of qualified men eager to come in at small salary, provided there was a good prospect of promotion, and political appointments were abolished. The plan I would recommend is this: Have the Civil Service Commissioners appointed apart from the Civil Service, as, in my opinion, the present system of examination has proved a failure. I would have them outside of the Service altogether, professional men, and throw the Service open. I would let it be known that at certain days in the year they would sit at the different towns in the Dominion for the examination of candidates, the candidates, of course, to furnish information as to age, good character, &c., beforehand. Those passing the examination would be certified and their names entered in a book, and as a vacancy occurred in a Department, let the Minister and his Deputy examine into the history of any of those cases, and select men according to the position to be filled.

Q. You would have them selected according to merit?—According to what was wanted. I would have a list of passed persons from which to select.

Q. Indiscriminately, or according to merit?—They must have a certain standard.

Q. Suppose 1,000 marks is the maximum, and one makes 900 and 800?—We would have a minimum.

Q. Would you give the appointment to the man who is the highest on the list?—No; I would recommend that the Minister of the Department should select a man out of the list, after looking at the certificates and examinations, and finding out whether he would suit for the position. But he must come in through that door.

By Mr. McDougall (Renfrew):—

Q. You would give a discretionary power in the selection?—Yes; I would recommend discretion to select out of this list, because a man might be efficient in French and know nothing about shorthand, and we might want a shorthand writer. The man on the top of the list might not be the one we wanted.

Q. But the man you selected might not have passed as good an examination as the man on the top of the list?—I contend that the Minister of the Department should not be bound to take the man on the top of the list. Once a man got on the list he should be eligible.

Q. In the scheme you suggest there would be a minimum, and that all who passed that and got on the list would be eligible?—Yes; they would report so many men passed, and state in the report what their specialties were.

Q. Leaving to the Minister the power to select men for positions regardless of the number of marks they had?—Yes; when once the candidates have passed the Board and got on the book, then the Departments should have the privilege of selecting whichever one they considered most suitable for them, judging from his handwriting and other acquirements.

By the Chairman :—

Q. You know how the appointments are made under the English system?—They vary in the different departments.

Q. There is a uniform examination for all the lower classes, and the man at the head of the list after the competitive examination takes his choice of the positions vacant, and the next man his choice, and so on until all the vacancies are filled?—That would scarcely answer here, as there are not so many vacancies to fill. In a country like this, where the vacancies are so few, I think the best plan would be to select men as I have suggested.

Q. Would the Minister have any special facilities for knowing which man would suit for the position he might want filling?—He would have the report of the examination before him.

Q. Then you would have him go by the report of the examination principally?—The Minister should not be obliged to take the man at the head of the list.

Q. But I understood you to say that you would have the Minister determine the qualifications of the man according to the report of the Examiners?—He would select men out of the list according as he thought they would suit him.

Q. But how would he ascertain whether they would suit him?—Well, suppose it was in our own Department, I might, perhaps, be assisting the Minister to make the selection. I should first look at the man's handwriting, as I think it very important that a clerk should write a good round, bold, legible handwriting. I would then look at his antecedents, ascertain what business he had been engaged in, if any, and the proficiency that he showed in the subjects in which he was examined. If we wanted a shorthand man I would see what examination he passed in shorthand.

Q. Would it not be well, however, to have a uniform examination for the lower grades and require those wanted for special position, such as shorthand writer to pass a special examination?—Yes; for copying clerks or writers a simple examination might be instituted.

Q. What is the rule for promotion at present in the inside service of your Department?—In certain classes they get an increase of \$50 a year, and a discussion usually takes place in Parliament every session as to the reason of such a great increase in the Estimates for the Service; I think that that might be changed so that no increase in the annual expense of the permanent staff need be necessary.

Q. Is any test required as a preliminary to promotion—any examination or other test?—No; if there is nothing objectionable they are recommended, and get the \$50 a year until they get to the top of the class.

Q. Is recommendation necessary for them to get this increase?—They get it every year unless they are reported against; we had one case, a good clerk and writer, who for certain reasons did not get it.

Q. What is the condition of promotion from one class to another; is any stated time required in each case?—It very much depends upon the report of the Minister.

Q. Does the power of promotion rest with you or with the responsible Minister?—The Minister.

By a Member :—

Q. All the responsibility rests with the Minister?—Yes; but of course most of the Ministers would be apt to consult the Deputies, who are with the men most of the time; the Minister has not the same opportunities of learning the peculiarities of the employés.

By the Chairman :—

Q. Could you arrange such an examination in your Department as would show a man's fitness for promotion from one class to another?—No; you require to judge from a man's industry, attention and correctness.

Q. Can a man at present, by special application and industry, hasten promotion; do the rules of the Service allow promotion to be hastened on account of special attention and efficiency?—No; I think not. In some Departments they get promotion more rapidly than in others.

Q. But speaking of your own Department?—No; I think not.

Q. What improvements could you suggest on the present system of promotion?
—I would recommend that every one should come on the permanent staff through the Civil Service Commissioners; they should come in at the bottom of the list; there should be one list for the inside service, first-class, second, third, fourth, fifth, and so on.

Q. Making a uniform classification in all Departments?—Yes; I would allow them to be kept in any Department they suited, or move them about as the Government saw fit.

Q. Do you think the work in the different departments is of such a character as to admit uniform classification?—I do not think there is much difference.

Q. Now, as to promotion?—Having got them all on the list, I would take them up by seniority and salaries, as at present, and classify them. Then, if a vacancy took place, everyone would get a move upwards if he was eligible for it. If there was a report against a man, he would not go up, and the man below would step over him.

Q. Would you make a favourable report a necessary preliminary to promotion?
—Yes; every man in order to get promotion should have a favourable report on each vacancy occurring.

Q. And he would not receive promotion, as a matter of course, unless this favourable report was made?—No; for instance if he was a drinking man he would be reported as unsuitable for promotion, and the man below would step over him.

By a Member :—

Q. Would you make a favourable report a necessary preliminary to promotion, or would you make an unfavourable report a check on promotion?—I would make a favourable report necessary. If that practice was strictly carried out it would amount to the same thing.

Q. Would you report according to seniority?—They would all go up by seniority.

Q. The man entitled to the vacancy would be reported on?—We would report on every man who would get a step up or an increase of salary.

Q. What would you do supposing the first man on the list was ineligible?—Just report his ineligibility. Then the question would come up: What about the next man? If he were ineligible also we would report him, and fall back upon the next, and so on. There should be something on record, however, to show why they did not get their turn.

By the Chairman :—

Q. You think that power should be given to move the man from one Department to another?—Yes.

Q. Has it frequently occurred in your Department that outsiders have been brought in to fill vacancies to which promotion could otherwise have been made?
—I have nothing to complain of in that respect.

Q. Do you think such a practice injurious to the Service?—I think so. It would be better to have a plan of the character suggested, by which everybody could look forward to promotion without any increased expense to the Government, and without his looking to political influence to assist him.

By Mr. Macdougall (Elgin):—

Q. Have you found out the disadvantages of this system of bringing in outsiders from your experience?—It has not occurred in our Department. I have no complaint to make. We have a good staff of men, and none have been brought in by outside political influence that I am aware of.

Q. How do promotions take place?—Departmentally. In some Departments a man may go up to a large salary all at once, without much length of service.

Q. Do you think that promotion should take place generally all through the inside service?—Yes; every vacancy that occurred in the Civil Service at Ottawa under such a system would give promotion to every one on the list below when the vacancy occurred, who was reported eligible for promotion; but employment might be given in the different Departments according to the suitability of the men.

Q. You would have the whole inside service regarded as one body for the purposes of promotion?—Yes.

By Mr. McDougall (Renfrew):—

Q. I think the clerks commence at \$400?—The Act prescribes \$300, but I think we generally begin them at \$400.

Q. Would you suggest anything with reference to increasing the minimum salary and having an examination which would exclude all except men who would be worth the salary?—If you threw the Service open to competition and have candidates examined in the different towns, we would get as many men as the Service requires beginning at the lowest salary, viz., \$300.

Q. And able men?—Yes; young men.

Q. It is generally believed that the Service does not get as good men as the banks secure, and I would like to know if such a system would secure good men?—I think so. We get as good men in our Department as they have in the banks, but they have not come in through political influence.

Q. Do you think that any scheme whereby selection by patronage would be done away with as far as possible would be feasible?—Yes, and it would be more economical for the Government.

By the Chairman:—

Q. In regard to the outside service, can you give a brief idea of the different classes of men employed therein?—We have the officers of the steamers. They are selected partly by the Department and partly by recommendation. The recommendation of a good man by a member of Parliament would have a considerable weight.

Q. Are the crews selected by the captains?—Yes; generally speaking.

Q. How are lighthouse-keepers selected?—They are nominated by the member of the district, if he is a friend of the Government.

Q. Are no tests applied to ascertain the qualifications of the lighthouse-keepers?—No; we have a printed paper which we require them to fill in, and they are required to furnish certificates stating their age, whether they are able to manage a boat, and how their eyesight is. But this is a condition which follows appointment instead of preceding it.

Q. There is no examination made until after the appointment?—No. We recommend them to Council on the recommendation of the member for the district, if he is a friend of the Government.

Q. Are not other qualifications than those necessary for lighthouse-keepers in your opinion?—I think it would be better to adopt the English system.

Q. That is—?—Bringing them in on small salaries and increasing it, removing them from place to place to better positions as vacancies occur.

Q. What qualifications would you consider necessary for a lighthouse-keeper?—He should have good eyesight, and be able to handle a boat, and be something of a mechanic, so as to keep the machinery right, if it was a revolving light that he had.

Q. Is not the machineries of these lighthouses sometimes very intricate and easily disarranged?—Revolving lights are, but the others are not difficult.

Q. Is it difficult to manage a revolving light—does it require any special mechanical skill?—Not much, but the keeper has to be a careful, sober, industrious, attentive man.

Q. What other class of employés is there in your outside service?—We have agents and clerks. At different places we have an agent—at Halifax, Carleton, St. John, Quebec and Victoria—one in each.

Q. Whose duties are—?—To attend to the business of the Department under orders from Ottawa.

Q. Are there any special means taken for choosing these?—No; they have principally been selected by patronage. We take the advice of the member from the district. Lately we appointed an agent in British Columbia, and one in Prince Edward Island, and we took the advice of the members from the district, friends of the Government.

By Mr. Roscoe :—

Q. Three members or one?—I think more than one in British Columbia, and in Prince Edward Island the advice of one.

Q. Is there any such thing as promotion in your outside service—has a man every chance for promotion from a lower to a higher grade?—No; not much; in the River Police he might.

Q. How are they chosen?—They are chosen in Quebec on the recommendation of members, and a report of the Chief of Police, as to their eligibility and suitability.

Q. And he is responsible for their suitability?—Yes.

Q. Are they not appointed when a report is received from the Chief of Police as to their suitability?—The candidate's name is sent to him, and he reports.

Q. Are they never appointed unless he reports them fit for the position?—No; in very few instances has a candidate been appointed against his report.

Q. And is the report always required as a preliminary?—Well, we give him the name, and he reports upon it.

Q. I ask you the question whether his report is considered a necessary preliminary for appointment?—No; not in all cases, but it is generally speaking.

Q. By whom is promotion made in the River Police; by the Minister?—Yes; and on the report. There is no absolute rule.

Q. But it is done by the Minister?—There is no absolute rule; but these remarks don't apply to Montreal, only to Quebec. At Montreal it has been under the management of Judge Coursol.

Q. By whom are these river police paid?—By the Government.

Q. I thought there was a fund given by the cities for their support?—No; the ships are taxed three cents a ton, so that virtually the Government are trustees for the ships.

Q. We were speaking as to promotion of light-house keepers. Is a man ever removed from a poorer situation to a better one, or does he remain in the light-house to which he has been appointed?—He remains in the lighthouse to which he has been appointed.

Q. Then, when a better place falls vacant, another man is taken on?—Yes; a member recommends him.

Q. Do you think it advisable to change that system and have promotion throughout?—Yes; I think any system better where there is promotion.

Q. Do you think the influence of political patronage in your Department and the Service generally is beneficial or otherwise?—I think it would be more economical and more efficient if any system could be introduced, removed as much as possible from political patronage.

Q. Do you think also that young men of ability and industry have a fair opportunity of earning any prizes in the Service, such as they ought to have?—They have very fair opportunities.

Q. Are there sufficient opportunities to make the Service attractive in your opinion?—I think there are always a great many applicants for Government employment.

Q. But I ask you whether the opportunities are sufficiently attractive to young men who could get a good living in other employments?—It is attractive enough; it is very attractive. There is a great pressure brought to bear to get in. I believe if my plan was adopted of having a list ranging from \$300 a year to \$2,400 or \$2,800 a year, to which they could all gradually move up, there would be plenty of well qualified men trying to get in.

By Mr. Wright (Pontiac):—

Q. What is the effect upon your Department and the Service generally of appointments to positions of comparative trust, to persons from the outside, instead of making them by a system of promotion?—It has a depressing influence, and they feel much discouraged when an outsider is appointed over their heads when an office becomes vacant.

Q. Then what is the general effect, and do you know of any instances where dissatisfaction has arisen inside the Service by what is considered the undue promotion or appointment of one civil servant over the heads of the others?—I have had no complaints, but I hear people speaking of it. When a new man is brought in over the heads of the others I hear a great many comments upon it.

Q. When a man has been unduly promoted have you heard any general conversation which would lead you to believe that it tended to the inefficiency of the Service?—I don't know of any instance, but I have heard remarks such as any one would hear. I have no instance to mention in our own Department.

Q. The promotion of the inside Civil Service generally goes on by selection of the Minister, I believe, on the recommendation of the Deputy head?—Yes; but in the meantime they are all getting a gradual increase, until they arrive at a certain point. I don't say this system has worked badly. You ask me if it could be improved.

Q. I will not say it has worked badly. But has not that system preserved the patronage system?—Yes; everything is patronage where you select and appoint a man.

Q. Is there no way that you know of whereby that species of patronage and promotion, by irresponsible selection almost, could not be done away with?—Not unless my plan was adopted of having a list where all could take their rank and place, the same as in the navy, where they move upwards according to their order and the vacancies. I would commence by doing away with high salaries at the bottom of the list, but would increase them by progression.

By the Chairman :—

Q. Would you do away with the annual increase every year?—Yes. There would be so many at \$3,000 a year, so many at \$2,800, so many at \$2,600, so many at \$2,400 and \$2,200 a year, and so on; and when the top of the class was reached by an employé then he would take his place at the bottom of the class above him with an increase in salary.

By Mr. Wright (Pontiac) :—

Q. Is it possible or is it an advantage to have more than one examination?—I don't think it would be necessary in a small service like this. And even at \$300 a year at the commencement, there would be a large number of applicants to be examined as candidates for the Service.

By the Chairman :—

Q. Suppose there was a certain amount of work to be done in any one Department, and enough men could not be got to do it in that Department, would it be advisable to get men from the other Departments for the time being?—I don't think so. I don't think it is advisable to go to another Department for another man. The best way to do would be to get extra clerks.

Q. Do you think that class could be got here?—They could be got everywhere they are wanted.

Q. Can you give me any idea as to the number of the outside service?—Counting everybody, there are between 1,500 and 1,600 persons employed in the outside Service of our Department. The harbour-masters and shipping-masters get paid by fees; they are not paid by the Government, and they are appointed on the recommendation of members. There are no other examinations for outside people at all. We trust to the recommendations of the members.

(Signed)

WM. SMITH.

THE FOLLOWING is the number of persons employed in the Outside Service of the Department of Marine, on the 31st December, 1876; with remarks regarding their mode of being appointed.

Superintendent of Lights, and Lightkeepers, etc., in Ontario and above Montreal.....	101	Superintendent not appointed on political nomination. He had, previous to appointment, acted for a great many years as assistant to the Superintendent. Lightkeepers appointed on political recommendation.
Officers of Agency in City of Quebec, and Lightkeepers, Fog-whistle keepers, etc., at and below Montreal, in Province of Quebec.....	167	Agent appointed to present office at Confederation, but had been in public service for some years previously. His clerks and the lightkeepers, etc., appointed on political nomination.
Agent, Clerk, Messenger, Superintendent of Lights, Lightkeepers, Fog-whistle keepers, etc., in New Brunswick.....	71	Agent, Clerk and Superintendent appointed by late Minister; the others appointed on political nomination.
Lightkeepers, Messenger, Superintendent of Lights, humane establishments, etc., in Nova Scotia.....	136	All appointed on political nomination.
Agent and Lightkeepers in Prince Edward Island.....	21	Appointed at Confederation on political recommendation.
Agent and Lightkeepers in British Columbia.....	15	Appointed at Confederation on political recommendation.
Officers and crews of Dominion steamers and vessels.....	136	Officers generally appointed on political nomination; crews on recommendation of captains.
Examiners of Masters and Mates and Clerk to Chairman.....	10	Chairman appointed by late Minister; the other on political recommendation.
Inspectors of Steamboats and Clerk to Chairman.....	9	The Examiners who were first appointed were appointed on political nomination. Vacancies now occurring are filled up on political nomination, after satisfactory examination.
Harbour and River Police, Montreal and Quebec.....	75	Chief Constable at Quebec in office at Confederation. The Constables were appointed on political nomination. The Chief Constable and constables at Montreal, on recommendation of Mr. Coursol, Commissioner of Police, whose office is now done away with.
Officers and Servants in Marine Hospitals.....	75	Partly on political nomination; some in office before Confederation, however.
Shipping Masters.....	18	On political nomination.
Harbour Masters.....	83	On political nomination.

Number of persons employed in the Outside Service, &c.—*Concluded.*

Officers of Observatories and Meteorological Observers receiving pay.....	73	The Director and officers of the Observatories at Toronto and Quebec in office before Confederation. The Directors of other Observatories appointed on political recommendation; the Superintendent of Meteorological Office appointed by late Minister; Meteorological Observers appointed on recommendation of Superintendent.
Receivers of Wreck.....	24	Appointed on political nomination.
Fishery Overseers and Guardians in Ontario.....	83	On political nomination.
Commander of the Fisheries Protection Vessel and crew	26	Commander appointed on political nomination; his crew, on his own nomination.
Fishery Overseers and Guardians in Quebec.....	90	On political nomination.
Inspector of Fisheries, Overseers and Wardens in Nova Scotia.....	239	do do
Inspector of Fisheries, Overseers and Wardens in New Brunswick.....	110	do do
Fishery Overseers and Water Bailiffs in Prince Edward Island.....	32	do do
Inspector of Fisheries in British Columbia and Overseer in Manitoba.....	2	do do
Total.....	1,596	

TELESPHORE TRUDEAU called and examined :

By the Chairman:—

Q. You are Deputy Minister of Customs?—Yes.

Q. Have you been long in that position?—Ever since 1864.

Q. And you were in the service before that?—Yes, since 1860.

Q. Approximately, what is the number of inside and outside employés?—There are about 25 inside.

Q. How are these graded, by position or in classes?—Classes; first, second and third classes.

Q. Are appointments always made to the lowest classes?—Not always.

Q. Is the departure from that principle frequent?—Yes. You were speaking of first appointments: you mean Engineers, Clerks, etc.?

The Chairman: Yes.

The Witness: They are not very frequent.

Q. Are these appointments made by patronage, in the usual way?—They are made by the Minister on the recommendation of a member.

Q. I mean are the recommendations generally sent in by outside members?—Generally by himself.

Q. Are the rules of the Service quite strictly enforced with regard to these appointments as to examinations, etc.?—Yes; of late we have not been examining.

Q. Did you find that these examinations were of any particular use?—I would not like to rely entirely on an examination of that kind, but I think it is a very useful thing.

Q. But did you find any use in the particular examinations that used to be in force?—It did not seem to be carried out sufficient to try whether it was useful or not.

Q. What was the rule as to the examination of these inside clerks?—They are not promoted on my recommendation, but I am generally consulted.

Q. There is no examination preliminary to promotion, I suppose?—The examination may be during the whole time of the young man's service. When he discharges his duties efficiently, that is taken as an examination.

Q. It is a practical daily test?—Yes.

Q. Would it be possible to arrange specific examinations to show a man's fitness?—I don't think any examination is better than practical experience.

Q. With whom does the appreciation of the employés services rest— with you or the responsible Minister?—It differs from one Minister to another.

Q. Does the power of promotion rest absolutely with the person who is acquainted with the man's qualifications?—I have found as a rule that the Ministers are generally willing to be guided by a recommendation based on merit.

Q. That they were guided by merit?—Yes.

Q. Have you then had any trouble from political interference in making promotions?—I have not found it.

Q. Not with the regular course of promotion in your Department?—No.

Q. Do you find any difficulty in finding as many young men as you want for the clerkships?—No.

Q. Do you find any difficulty in finding the class you want with the particular qualifications you want. I don't mean at present, but as a general thing?—Young men come in and are able to do the particular work first given them, and then later as they advance to more difficult work their judgment is not always found equal to the duty. That is the only difficulty.

Q. You find they are generally fit for the lower grades?—Generally, but not always fit for promotion.

Q. Do you think that an examination as a preliminary to appointment would enable you to get a better class, and would exclude any of those young men found to be inefficient?—Of course a preliminary examination would secure educated men. But I don't think we have taken in any men that we would have sent back from an examination.

Q. As a general rule your entrance examination would improve the average of the recruits you get in your service?—I don't think so if you have appointments made.

Q. You mean that you would not have got any better than those you have at present, if you had an examination?—I mean that.

Q. What are the subdivisions in the outside service called?—Railways, construction of canals, construction of harbours, architects, &c. There is one department for construction and work on the canals, and then for the construction and work on railways, then for the construction of harbours, and buildings, architects, &c.

Q. Give me the names of the Heads?—The Chief Engineer of all the hydraulic works is Mr. Page; the Chief Engineer of the railways is Mr. Fleming; the Chief Architect is Mr. Scott. The work on the railways would be under Mr. Brydges.

FRIDAY, APRIL 6th, 1877.

Committee met.—Mr. CASEY in the Chair.

J. GEORGE HODGINS, Esq., LL.D., called and examined:—

By the Chairman:—

Q. You have prepared some notes on this subject?—Yes; I have done so, as requested, and as the result of a long experience. I think I am one of the oldest members of the Civil Service; I have been 33 years in the Service, having been appointed in 1844.

Q. What is your position?—Deputy Minister of Education for Ontario.

Q. Have you been in the same position since your appointment?—Yes; but under another name. The title was originally that of Deputy Superintendent of Education. On the appointment of the Hon. Mr. Crooks as Minister of Education in Ontario, I was appointed Deputy Minister of Education. I have confined my remarks entirely to our own Department, as far as the present system is concerned. The paper I have prepared reads as follows:—

CIVIL SERVICE—ONTARIO EDUCATION DEPARTMENT.

For the last twelve or fifteen years, or more, the system of appointment in the Education Department of Ontario has been very simple and effective. It has been also most satisfactory in its results.

There are at present about twenty-four employés in the Department. As a vacancy occurs, we generally apply to the head master in the Model School to recommend the names of two or three youths from 16 to 20 years of age, whose character, deportment, and success in the Model School has been most marked, and whose varied ability for the position of a clerk in the Department is, in the judgment of the master, unquestioned. From these recommendations the selection is made, and an appointment on trial for three or six months is made. The salary is from \$200 to \$250 a year, according to age and ability, subject to a periodical increase, as regulated by the Civil Service Act of the late Province of Canada.

The youth employed is put in charge of the head of a branch—chiefly the Depository Branch of the Department—and he is required to do all kinds of work (not menial). As he develops capacity, he is placed in such Departments of the establishment as seem most fitting. Promotion is determined solely according to merit; length of service, fidelity, industry and application being taken into account.

The discipline adopted is kindly, but very strict. Nothing is allowed to be taken for granted; and for every mistake or omission of duty, full explanation is required either orally or in writing (chiefly the latter). Disobedience to orders is followed by immediate suspension and loss of salary for the time. The authority of the Head of each branch in the Department is supreme, subject to appeal to the Deputy Minister, who rarely has occasion to bring any case before the Minister of Education.

At present the salaries of the clerks, after a certain time has been reached, is subject to no fixed rule. No superannuation is at present provided. In consequence of these two omissions, the Department has unfortunately been subjected to the average loss of two or three of its best trained men every year for several years. And this compels us to keep a larger number in training than we could do with were the efficient men retained.

A very kind and courteous spirit, as between the young men, has for many years existed; and no personal disagreement has interposed to prevent the satisfactory and harmonious working of the several branches of the Department.

On the assumption of the post of Minister of Education in March of last year, I submitted to the Hon. Mr. Crooks a scheme of regulations for the internal management of the Department and its various branches, which, after some verbal alteration, was adopted by him. I append these regulations herewith. They were suggested as the result of several years experience and were, during Rev. Dr. Ryerson's incumbency, practically acted upon.

The advantages to the public service which have resulted from the system adopted by the Ontario Education Department have been most marked and satisfactory. We have, with great advantage, got rid of political appointments, and of unknown and untried men. We have also been enabled, by one system of training, to put no man in charge of a branch of the Department who is not practically familiar with all of its details. When there he is made responsible for its proper working and efficiency.

In order that strict supervision shall be exercised over the various branches of the Department, it is arranged that everything, at one stage or other of its progress, shall come under the personal notice of the Deputy Minister, and no one can be absent without his knowledge or permission.

Sometimes, but rarely, when we fail to get a suitable youth in our model schools we obtain them by anonymous advertising and subsequent selection, after personal inquiry and proof of ability, character and competence.

I believe it to be the opinion of the Minister of Education that the Department, under the regulations and mode of appointment adopted, has reached, if not the highest state of efficiency, yet efficiency in a very high and satisfactory degree.

(Signed) J. GEORGE HODGINS,
Deputy Minister of Education for Ontario.

Ottawa, 6th April, 1877.

Q. Are the young men taken from the Model School merely on the recommendation of the Head, or do you examine them for your own satisfaction?—We do not re-examine them, because they are subject to a written examination at the school, and that evidence is sufficient. It may be produced if required. No one is appointed unless he has taken a very respectable position in the highest form of the Model School, so that we are certain their literary qualifications will not be inferior.

Q. Do you ever find that young men who are appointed on account of high literary qualifications are practically inefficient?—Yes; it does not at all follow that because a youth is successful as a student, he, therefore, possesses the particular capacity for work which we require from him in the practical details of our office. He may be slow or careless; and in our Department nothing is allowed to be taken for granted. He must be certain of what he does in everything. If he makes a mistake at all, he is required to give an explanation orally or in writing. Every branch of the Department is subject to the careful oversight of its Head. As the result of my experience in the matter, I may say that it is utterly impossible to make any Department efficient unless the Deputy Minister is cognizant, more or less, of all the details of the work, and everything should in some form come under his notice.

Q. You say that promotion is altogether by merit; how do you judge of that—simply from your own personal observation?—Yes: and from the report of the head of the branch.

Q. The man's immediate superior?—Yes; but that is not in all cases sufficient. I must be perfectly satisfied myself of the fact of the man's efficiency.

Q. Have you ever tried the experiment of requiring an examination as a preliminary to promotion?—No; from the very fact that we must have already the practical evidence ourselves that the youth is qualified for the position to which he may be promoted. For instance, if he wishes to take a higher position, he is required to perform the duties pertaining for some time before he is actually appointed to it, or he is appointed on trial for a fixed period.

Q. Then promotion is generally made on your recommendation?—Yes; my recommendations under the circumstances which I have stated, have never been called in question.

Q. Do suspension and dismissal follow the same rule?—The head of the branch has the right of suspension, subject to an appeal to me in all cases. Of course if my decision is adverse to his restoration, he has the right of appeal to the Minister himself, but I know of no case of appeal to him in any case.

Q. Do you think that the placing of this power in the hands of the permanent Head of the Department is conducive to discipline?—Yes; it is all important to do so, subject to appeal, and I will give you my reasons. The permanent Head knows all about the particular duties to be performed, and whether the duties are well or ill-performed, which the official or political Head could not possibly know. With the knowledge that an appeal would be against his decision, he would necessarily act with judgment and fairness.

Q. And, according to your experience, the result has been good?—Yes; it has been most salutary.

Q. You mention that there is no superannuation in your Civil Service, and that you thought that was one reason why you lost some good men?—Yes; that and the uncertainty of promotion and salary.

Q. Do you find that the certainty of promotion for merit is any attraction to a good class of men?—I am perfectly certain of it; I have met with so many cases of that kind in my experience that I know it to be a fact.

Q. Do you find young men willing to go into the Service at a low salary on account of the chances for promotion?—Yes; they generally come in with us at a salary of \$200 to \$250 a year.

Q. That is a much lower salary than they pay here (Ottawa) at the beginning? Yes, I know it is; but ours are younger men.

Q. Do you consider, from what you have seen, that the hope of promotion for merit is as strong an inducement to young men as a large entrance salary?—I think it much stronger; because, as a general rule, young men living in the city with their parents do not look upon salary at first as of so much importance, as upon the chances for promotion. As they get on in life they want to support themselves and like to look forward to something better in the future than junior clerkships. I have now a private letter from one of our most efficient men, and he gives me that as a reason for leaving the service.

Q. Do you invariably take men into the lowest grades?—Yes. One or two special cases have, however, occurred, which form the exception to the rule, as all rules have an exception. The eyesight of one of our young men, who has important duties to perform, is failing, and he will have to get leave of absence to consult some eminent oculist. In that case, we shall be called upon to put a specially competent man in charge of his department, or as an assistant, in view of ultimately taking his place, should he unfortunately fail in effecting a cure. But that is an exceptional case.

Q. You sometimes find young men inefficient who have passed good examinations; can you give any idea of the percentage?—It is very small—so very small that it is reduced probably to the minimum, from the fact that we exercise great care

at first. When a young fellow has been in the Model School for five or six years, the master is generally able to tell something about his habits—whether he is reliable, quick and industrious, and has an aptitude for understanding things so as to be able to take a subordinate position at once. We, therefore, avoid the chances of getting unsuitable young men, to a large extent. My own experience is that the acquisition of knowledge and the possession of a good degree of it, is not a sufficient recommendation, apart from the other qualifications I have mentioned.

Q. How long does it take you to form an idea of a young man's practical usefulness?—Probably three months. But it generally takes two years for him to become so accustomed to the duties that we can see with certainty that there is something in him, and can recommend him for promotion.

Q. Do you think from what you have seen in your own experience that the average of practical ability, general character and usefulness, is apt to be better among an educated class of young men obtained in the manner you get them than if they were obtained by political patronage?—Yes; I would not have them through political patronage at all. It is a lottery system—painfully uncertain. My own experience is that our system of early training is essential; and in an educational department it is essential that the employés should, as they are supposed to, be educated and well trained.

By Mr. Roscoe:—

Q. This system is only carried out in your own Department?—Yes; so I believe. The great difficulty I understand in having a Civil Service system with me is, that the employés are of unequal merit in the various Departments. I have, however, no personal knowledge of the subject and only repeat what I have heard assigned as a reason for having no Civil Service organization.

By the Chairman:—

Q. Do you mean that the quality of the men is so different?—They are unequal from the fact that several of them have had no training and are the result of political appointments. They are personally excellent men, and all that you can desire as gentlemen; but many of them have had no such training as we give, and which I regard as so very essential.

Q. Have you considered the question of competitive examinations as practised in England?—Oh, yes; that has often been considered and talked of; but it fails to touch the real want of the Departments; that is, efficiency for the particular branch in which you wish to put a young man. It is all very well as to theory and as to education, but it does not work well in practice. For instance, we might want a young man to act as what we call clerk of record and reference, who has to put away and get documents when required, relating to any case that may come up. There are cases which involve references to from five to twenty documents, and the young man must be expert in his duty and be so thoroughly trained in that branch that you can depend upon him getting the whole of those papers in the shortest possible time. No competitive examination could qualify a young man for any position of that kind which requires expertness, thoroughness and practice.

Q. Could any system qualify him for that position without experience?—Not without experience. You really have to train them for all such special duties. A novice could not undertake such duties.

Q. What do you think of the competitive system as a means of getting raw material for the Service?—It might answer where there are not the facilities which we possess. In the absence of some such facilities, you must fall back on some such competitive system. If we had not our Model School, or could not get youths fresh from some educational institution, an examination of that character would be absolutely necessary.

Q. Then, you would rather take them by competitive examination than by nomination?—Oh, yes; there is no comparison between the practical efficiency of the two systems—that is, if efficiency in the Public Service is desirable.

Q. We have had a recommendation to adopt a scheme of holding "qualifying" examinations from amongst the successful candidates, out of which members of the

Civil Service should be chosen at the will of the Minister. What do you think of such a system?—I think there is one difficulty in the way of carrying out that system which would be fatal to its success. From the fact that such an examination would merely give the passed men a sort of *quasi*-official status, you would get in a shoal of aspirants to office whom you would be sorry to see in the Public Service. Besides, the moment you get a number of young men nominally “qualified” for positions in the service, personal solicitation and influence would be brought to bear upon members of the Government to get appointments; and after that a “competitive” examination, as a condition, would be subject to such silent influences, that they could not well be resisted to prevent an unsuitable appointment.

Q. We would, in fact, be thrown back upon patronage?—Yes; under the guise of a competitive system of examinations. Another objection to the system would be this:—A great many might come up to a fixed standard, and pass. If, however, in the first place, you pitted one man against another, and said, “The best men only shall receive appointments,” you would then put all of the candidates on their mettle to take the highest rank. There would be no such impulse to excel under a merely “qualifying” examination. I look upon it somewhat in the same light as the examination for a third-class teacher. Anybody may pass and become a third-class teacher; but when it comes to a competition for the higher grades, you only get the better class of men to succeed. You cannot make the mere “pass” examination anything like as strict as the formal or strictly competitive examination would be. Even if you should put the same subjects down for candidates in the “qualifying” and competitive examinations, yet when you came to compare paper with paper of answers in the competitive examination, you would be compelled to take the very best; whereas, in the other case, if the candidates came up to the maximum simply, you could not refuse to pass them.

By the Chairman:—

Q. Referring to school teachers, is it not the case that a school teacher who does not succeed in passing for the second-class within a certain time is thrown out altogether?—No; he may, on the recommendation of the Inspector, receive the third-class certificate on his second-class papers.

Q. Is there not a rule, that you are allowed to drop them altogether?—Oh, yes; but practically speaking, such men if they do pretty well, get their third-class certificate renewed for a year for unless you do so you put the teacher out of the profession altogether.

Q. Can you tell me roughly how many school teachers are paid in Ontario in a year, as a rule?—I think there are about one thousand.

Q. Each year?—Yes; of all grades.

Q. These young men are all of a class who would be sufficiently educated for the ordinary work of any Department in the Civil Service?—I think that the second-class men would be ordinarily superior. I don't know a single young man from the highest form of the Toronto Model School who is not ordinarily very much superior to the third-class teachers.

Q. My reason for asking you was to see whether one could reasonably expect 300 or 400 well educated young men from the class of teachers who would be able to enter the Service every year?—I think so; especially from the fact that under the recent school legislation of Ontario, teachers will be required to get more thorough training in the elements of a good English education so as to fit them for the official practice of their profession; and the literary qualifications required in the immediate examinations of the High Schools will be equivalent to the literary acquirements of second-class teachers. Then again the Normal Schools will be confined more strictly to the preparation of teachers in a professional capacity, so that the means now available for providing a large class of ordinarily well-educated teachers will be in full operation within a year; we shall then be in a much better position than before to give you a large class to draw from, should you wish to recruit from them for the public service. The High Schools too, will be made much more efficient than ever, for the reason that in the Local House, by a two-third vote, it was made compulsory

upon County Councils to give an equal amount to the Government grant for high schools. These High Schools will now be compelled to confine themselves more strictly to their legitimate work, which will be to provide a class of well-educated men for the ordinary duties of life, and for higher rank in the profession of teaching. You may, therefore, reasonably look forward to a much larger supply of well-educated young men in this country.

Q. What is the average of third-class teachers' salaries when they first enter the profession?—It is not much more than \$250, and \$300 would be a capital salary; but when you go to the Normal School, the lowest you would get would be about \$400.

Q. Do you find that your teachers are drawn pretty equally from all classes of society?—It is chiefly from the farming community. The whole system of education, from the primary school to the university will be organized within twelve months on a footing of almost complete efficiency. We have reached that point at which we shall not stand still, and the machinery in operation will, I trust, produce such gratifying results that you will find in five years there will virtually be a revolution in our school system. Our whole effort has been to keep these young men in the profession; the whole of legislation for the last five years has been in that direction. Teachers or persons acting as such have heretofore made this profession but a stepping stone to something better, and we have been shaping our efforts to bring about a different result. I have no doubt but that the supply of well-educated young men will soon be largely increased, while at the same time the character of the profession will be correspondingly raised. There are inducements held out to teachers to remain, in the hope of getting the highest positions in the profession—that of County Examiner and County Inspector—the highest position is that of County Inspector, and that position is reserved exclusively for teachers.

By Mr. McDougall (Renfrew.)

Q. Supposing there were two candidates for a particular position, in which neither had had experience, would you not prefer that one who gave evidence on an examination that he possessed a fair knowledge on general subjects?—I would at once take the man who gave evidence of general information on all subjects, because his faculties would be quickened and he would be able to pick up matters of detail quicker.

By the Chairman :—

Q. Of two men equally experienced you would choose the man who had the best education?—Yes; certainly.

By Mr. McDougall (Renfrew) :—

Q. Do you approve of a qualifying examination and then being appointed at the will of the Head of the Department?—I think that would be fatal. My particular objection to that system, if applied to one Department, would be that if a maximum was fixed upon, and that was passed by a number of candidates, the Head of the Department could not refuse to admit them. But when you have a competitive examination you only choose the best men. The moment a man was qualified, if he had to pass a second examination, influence might be brought to bear to get him through in some way. And there is one thing which should not be lost sight of, and that is that the Civil Service is different now from what it was years ago. It requires higher and better qualifications than before, because new questions of administration more important are constantly arising. The higher officer in the Service would find that without a thorough training he cannot keep himself up with them. A man in the position of a Deputy Head of a Department ought to be familiar with the new and delicate relations which exist between the local, the central, and home Governments. He should also be acquainted with questions of finance, legislation, political economy and kindred subjects, as his Department would have to deal with them. In our own Department there were a great many legal questions which previously had not arisen and I found myself compelled to qualify in this respect. The gentleman next to me had also done the same. Many difficult and delicate questions would naturally arise with the growth of the Civil Service. I would, therefore, require young men to qualify themselves in those particular subjects which must necessarily come up in their Departments. It is absolutely necessary to see that a

man is thoroughly and systematically trained. One man who is thoroughly conversant with all the branches in a Department is worth half a dozen otherwise. I do not know that any question is of more practical utility in the Civil Service than the question to which I referred. The Committee are engaged in a very important work. The great question of the reform of the Civil Service is agitating official circles in the United States. I made it my special business to inquire whether this was a mere political cry. A gentleman connected with the department at Washington told me that it was not so, but that they had the same difficulties that we have here, and would give anything to get rid of them.

By the Chairman :—

Q. You are probably aware that there was a Civil Service Bill in 1872?—Yes; and the people must be educated up to it. By the standard being raised there would be greater efficiency, and each of the civil servants could get a higher salary than now, as the business of the country could be performed by a less number than at present. A great misfortune is that there are too many in the Civil Service of untrained men, owing to a thorough want of system.

APPENDIX TO THE EVIDENCE OF DR. HODGINS.

EDUCATION DEPARTMENT, ONTARIO.

Regulations, sanctioned by the Honorable the Minister of Education, to be observed by the Officers, Clerks, and all others concerned.

The following shall be the divisions or branches of the Education Office :—

I. The Departmental.—Comprising :—

1. All matters coming directly under control of the Minister, or Executive Council.

2. All matters involving the policy of the Government on educational subjects.

3. Official decisions and other special acts of the Minister of Education.

NOTE.—All correspondence arising in this Branch shall pass through the Secretary of the Department, as may be directed by the Minister, or, in his absence, by the Deputy Minister.

II. The Administrative Branch.—Having to do with the administration of existing High and Public School Laws and regulations, and various routine matters of the office, shall be under the personal supervision of the Deputy Minister, subject to such directions as the Minister of Education may from time to time give.

III. The Financial Branch.—The details of this Branch shall remain in the hands of the Accountant, under the supervision of the Deputy Minister. All financial matters shall be submitted to the Minister, except where specially provided for by law, or already prescribed. The expenditure shall be supervised by the Deputy, and the accounts, when approved by the Minister or Deputy, shall be sent for payment to the Treasury Department by the Accountant.

IV. The Depository Branch.—Shall be conducted, as heretofore, under the direction of the Deputy, subject to the control of the Minister of Education.

GENERAL REGULATIONS RELATING TO INTERNAL ECONOMY.

1. The Deputy Minister shall be responsible to the Minister of Education for the internal management and economy of the Education Office, Depository, Museum and grounds around the buildings, and for the due and faithful discharge of duty on the part of officers, clerks, messengers, gardeners, engineers and all others employed, who shall be subject to his orders. He shall also have the supervision of the Ottawa Normal School, and of the Toronto Normal School, so far as this relates to the current expenditure, and matters of routine and detail, not necessary to bring before the Minister.

2. The office hours shall be :—

(a). *For the Seniors*—From 9 a.m. until 4 p.m., including lunch hour. Where the lunch hour is not taken, the hours shall be from 9.30 a.m. to 4 p.m.

(b). *For the Juniors*—The hours shall be from 8.50 a.m. to 5.30 p.m., including the lunch hour, or where the lunch hour is not taken, from 8.50 to 4.30 p.m.

(c). *For the Depository*—(As a business establishment) the hours shall be from 9 a.m. to 5.30 p.m., (except during the busy seasons). The “Juniors” shall be in their places at 8.50 a.m. The regulations as to lunch hour, and as to “Seniors,” shall apply to the Depository, except that some responsible officer and clerk shall always be left in charge during Depository hours. It is understood that during a pressure of work these hours may be lengthened, and that each officer and clerk shall do his own work, as may be assigned to him. On Saturdays the hours for the Seniors shall be until 1 o'clock, and for Juniors and those in the Depository until 2.30 p.m.

3. Any questions arising under these General Regulations shall be decided by the Deputy Minister, who (for disobedience, or other cause) shall have power to suspend from position and salary any Clerk, Messenger, or Servant until the pleasure of the Minister is known.

4. In the absence of the Deputy Minister, his functions shall, for the time being, devolve on the Secretary.

NORMAL AND MODEL SCHOOLS.

1. The Principals of the Normal Schools shall be responsible to the Minister of Education for the success and efficiency of the Normal and Model Schools under their charge.

2. The Masters, Teachers and all others employed in the Normal and Model Schools, shall be directly responsible to their respective Principals for the due and faithful discharge of their duties.

Approved.

(Signed) ADAM CROOKS,
Minister of Education.

EDUCATION OFFICE,
TORONTO, 28th Feb., 1876.

SATURDAY, April 7th, 1877.

Committee met.—Mr. CASEY in the Chair.

Mr. TRUDEAU called and further examined :

By the Chairman :—

Q. I understand you have prepared a memorandum in regard to the system pursued in your Department?—I have. It is as follows :

Memorandum submitted to the Civil Service Committee.

The parties holding office in the Department of Public Works are :

1. Head Office Staff,
2. Engineering Branch,
3. Architects' Branch,
4. Canal Working Staff,
5. Railway Working Staff.

1. The appointments have been made in some cases by Order in Council, in others by the Minister; in both cases generally on recommendation.

2. The senior Engineers and Architects are consulted when professional men are engaged.

3. Salaries of the office staff are determined in accordance with the Civil Service Act.

4. The salaries of professional men are, in each case, the matter of special determination, in which length of service, previous experience, and aptitude for the position are considered.

5. Promotion of junior officers is made generally as vacancies occur, by the Minister, on the recommendation of the senior officers, who submit the claims of the party recommended, as established by his past career, giving a detail of what may be held to be his title to consideration, and setting forth the work which has been performed by him, and the mode in which it has been done.

6. The organization of the general office is such that every man has a special duty to perform, for which he is responsible; the amount of his work having been established accordingly as experience has shown the extent of labour which his duty entails. It is generally found that, when one person is absent from sickness or on leave, in order for the work thoroughly to be kept up, those remaining in the office have to work extra hours.

7. It has been suggested that expectations should be held out that the highest offices in the permanent staff can be reached by young men of good education, so that they should be encouraged to enter the Service at a low salary to make their way by capacity and good conduct, and that a competent man in one Department could be promoted into another Department.

8. I myself agree with the opinion that it should be understood that the vacancies in the higher grades should be filled up as much as possible from the ranks of the Service.

9. This theory does not take account of those who fail to gain the first offices. Many deserving men must, necessarily, come within this category when there are but two or three of the higher offices to fill.

10. Therefore, the secondary positions should receive such salaries that they should be desirable situations in themselves and should be looked forward to as substantial rewards for industry and capacity.

11. There are objections to an officer being transferred from one Department to another, except under special circumstances. The information and experience gained in one line of the Service is seldom of use in another, the work itself being special and best fitted for the field where it has been obtained.

12. The Superannuation Fund, extending provision to old age and infirmity, may lead many to seek employment in the public service, but it scarcely influences the very young.

DEPARTMENT OF PUBLIC WORKS,
OTTAWA, 7th April, 1877.

Q. With regard to paragraphs one and two, do I understand that appointments were ever made and affirmed by the Minister without reference to the qualifications as a whole?—Yes; lock-keepers and men of that kind.

Q. By whom are those people generally recommended?—When it is a mere work of labour, the members are consulted. When professionals are to be appointed members of the same profession in the Department are consulted.

Q. When professional men are to be appointed, from whom does the original recommendation come?—If it is an engineer who is to be appointed, the Chief Engineer of the Department generally informs the Minister that he wants an engineer, and the Minister generally asks him whether he has anybody to suggest.

Q. Is it not a fact that the recommendation in all cases, as a rule, comes from members, although the engineer may be afterwards consulted as to the man's fitness?—Not in regard to professional appointments. Ministers may be consulted in regard to these appointments, but I do not think that their recommendation is what the Minister bases his decision on.

Q. Does not the first suggestion of the man come as a rule, from members?—Not in regard to professional men.

Q. You think not?—Yes, sir.

Q. The first suggestion of the individual to fill the position comes from somebody in the Department?—Yes; because the engineer or architect-in-chief is the first man who is aware that a vacancy has occurred.

Q. But does he generally suggest any individual to fill the vacancy?—Yes; he generally knows what the Minister will ask him, and he is prepared to answer the questions.

Q. Then it is generally on the recommendation of the heads of the scientific branches that men for those Departments are appointed?—Yes, sir.

Q. And not by political influence?—Yes, sir.

Q. How far does political influence enter into those appointments?—I do not think it is perceptible in professional appointments.

Q. Now, with regard to paragraph 4, you say that the salaries of professional men are matters of special determination?—Yes, sir.

Q. Whose advice is asked on this point?—That of the head of the branch.

Q. The head of the particular branch?—Yes, sir.

Q. Have you ever known political influence to have any effect in this connection as to the arrangement of salary?—No, sir; I have not.

Q. I will now refer to paragraph 5. Is it not a rule of the Department that vacancies shall be filled by promotion whenever possible, instead of bringing in outsiders?—We have been following that rule of late years, but we have had very few appointments.

Q. Have you followed that in the office?—Yes; there have been several advanced.

Q. But has it been the rule to do so?—It is the understanding.

Q. But is it the practice?—Yes; it is done.

Q. You mean that outsiders are not brought in over the heads of others in the Departments?—Yes, sir; they are not. We have not had any appointments at all lately.

Q. You say that the promotion of junior officers are made generally as vacancies occur. Do you mean that that rule applies to the junior officers only, or applies throughout the grades?—For a number of years we have not had a high official appointment in the Department of Public Works. It has so happened that no vacancies have occurred.

Q. In speaking of junior officers, how high up would you go?—To the junior second class, for instance.

Q. Are officers above that grade promoted in the same way on the recommendation of the senior officer, or are they promoted by seniority?—Their promotion is not by seniority, it is by merit.

Q. On recommendation of the chief?—Yes, sir. When there is to be a change of salary or a change of position, and I approach the Minister with my recommendation, I do not simply lay before him a bald statement, but I submit to him specimens of the man's work. For instance, I call to his mind, that the officer recommended performed certain duties which probably came under the notice of the Minister before.

Q. You do not then, in general terms, say that you consider so and so the best man to promote; but you give reasons?—Yes, sir. I give reasons.

Q. Do you find that your recommendations are generally carried out?—Yes, they are. I do not believe that it is simply because I recommend them, but because the recommendations I lay before the Minister are appreciated by him.

Q. I will now refer to paragraph 6. To whom is the man responsible; to his next superior?—The men are responsible from one to the other in the order of grades.

Q. I conclude from this paragraph, that you have no more men than are sufficient to do the work in the office?—There are two classes of men in the office. One set of men are engaged—and are well adapted—to keep a record of the correspondence as

it goes along; others are kept as letter-writers. We have a very large correspondence and the number of our corresponding clerks must be equal to the greatest emergency. We find that our corresponding clerks are always engaged.

Q. Do you mean that you have to keep on hand some corresponding clerks who are not continually employed:—No, sir. It is done in this way. When the correspondence becomes very large some of the copying is done by outsiders—some of the engrossing I mean.

Q. Then you bring in some copying clerks to do correspondence for the time being?—Yes; to write it out neat and copy it.

Q. Would you require as highly qualified men for this work of copying or engrossing as you have called it, as for other work?—There is not much of that done. Letters are generally written off hand.

Q. But don't you copy letters and documents you receive?—Oh, yes.

Q. Are they copied by hand?—During the Session we employ women by the day to copy. When there is work, they are paid, and when there is no work, they are not paid.

Q. Do you find that they are as efficient as men?—I do.

Q. Do you have to pay them as much?—We pay them \$2 a day, and we find that they do well.

Q. You do not pay them by the folio?—No, Sir; by the day, and the quantity of work they do is audited.

Q. You have a certain check upon them?—Yes, Sir.

Q. How many women have you at present?—I think we have nine.

Q. Do you pay them less than you pay men for the same labour?—No, Sir; they are paid about the same as men copyists.

Q. With regard to paragraph seven; do you consider that the expectation of promotion would be an increased attraction to able young men to enter the Service?—My theory is that there should be always something to struggle for as an inducement. If young men thought that by mere length of service they would arrive at a certain position, whether they performed the duty or not, they would not take the same interest in their work.

Q. Then a system of promotion to ensure efficiency should include both seniority and merit?—Yes, Sir.

Q. Do you think that such a system of promotion would be attractive to able young men to enter the Service in the first instance?—I think so; it would ensure them, if they were attentive, of getting a certain salary when they were 50 or 60.

Q. Do you think that such a prospect of promotion for merit would be a greater attraction than the mere increase of the minimum salary on entrance?—It would be better, I think.

Q. Do you think that it would be better to increase the attraction by raising the entrance salary, or by increasing the chances of promotion?—I think the salary for a young man entering should be as low as possible, with speedy chances of improvement.

Q. What do you mean by paragraph 9?—What I mean by that is this: That if the reward is high up, and there are two or three deserving men, one man may reach it, and the others, equally deserving, may remain behind, and then those men have missed the objects of their life.

Q. You think the higher offices are too few to excite healthy competition among the men?—Yes, Sir.

Q. With regard to paragraph 10, do you think there would be any large number of secondary positions?—No, Sir; I do not think that the number would be large.

Q. Would what you speak of in paragraph 11 apply to the junior grades?—Not so much in the junior grades.

Q. Do you think it would be, among the lower classes of clerks, for instance, to have free promotion from one Department to another without disarranging the work?—From certain Departments to certain other Departments. It would be very little advantage, for instance, to promote a man from our Department to that of the Minis-

ter of Justice. There could not be much objection where similar duties could be performed.

Q. Do you not think such a consolidation of the Service for purposes of promotion would give more rapid promotion?—Yes; if it were confined to the lower grades.

Q. Do you think the prospect of a superannuating allowance ever induces men of poor health to seek employment as a sort of means of insuring provision for their old age?—I am sure there is no such influence upon young men; I don't think men seek employment in the Civil Service largely because of that.

Q. I don't say largely; but don't you think it is an inducement for weakly men to enter the Service?—It would be natural to say so.

Q. Is any medical examination required of candidates in your Department?—No.

Q. Do you not, as a general thing, think that they remain in office to a considerable age; or do you think they wear out rapidly in the Service?—I do not think they wear out faster than in any other Service.

Q. Is there anything particularly trying on the health in your Department?—No.

Q. What would you consider the requisite qualifications for candidates in the professional branch of your Department?—They would have to be efficient clerks.

Q. Do you not think it would be advisable for them to know the two languages, English and French?—It is far better; it would be very useful. Of course every candidate would have to read and write correctly, and understand the arithmetic. I think that some consideration should be given to a man who knew shorthand. I think it ought to be some positive inducement to young men to know shorthand; it is exceedingly useful. A young man at a very low salary can take off a report dictated by a man who would probably take two or three hours to write out what a shorthand writer would do in an hour. A superior man would then have much greater time at his disposal.

Q. The possession of shorthand by a clerk, then, would save a great deal of time?—Yes; I think through the Service something should be done in that way. We have three or four in our Department, and I find them exceedingly useful.

By Mr. Wright (Pontiac):—

Q. So, then, a knowledge of shorthand would entitle a man to appointment in preference to another?—Yes, Sir.

By the Chairman:—

Q. Generally, do you think it would be well to require an examination to test a man's general education before appointing him to the Service?—Yes.

Q. Taking a number of candidates equally unacquainted with the work they were to be put at and totally inexperienced. Do you not think that the better educated man should have the preference?—Of course.

Q. So that if you had a number of men equally acceptable in other respects and equally unacquainted with the work they were to perform, you would be inclined to give the preference to the best educated men?—Undoubtedly.

Q. Do you think that a system of appointment on the ground of educational acquirement, character of course being previously ascertained, combined with a probationary appointment on time for a year would improve the general character of the Service?—Of course; I can only speak as far as our Department is concerned. I think we have been rather fortunate in the selection of our employés.

Q. I do not mean to say you have a bad lot of men; I don't suppose you have; but I ask you whether you could not improve it for the future by having such a system as I have referred to; by taking in the best educated men and putting them on trial for a year before the confirmation of appointment. Do you think you could then obtain a better class of men than you do by nomination?—I think I have stated before that candidates are practically submitted to an examination.

Q. Not before appointment; you stated there was no examination before appointment?—There is no examination before a Board; but there is a practical test say as to engineering, for instance.

By the Chairman:—

I am aware of that.

Witness.—There is an enquiry into a man's previous history, and what he has been doing, what schools he has been at; and, although candidates may not be before a Board of professional examiners the result is nearly the same.

Q. Do you mean to say that it is a satisfactory ground of appointment as to the schools a man has attended, or is he not appointed on the strong recommendation he gets from parties in authority?—I don't think the Minister shuts his eyes to a man's ability.

Q. But any person the Minister chooses to recommend is appointed; you have no power to enquire into his qualification as Head of the Department?—We have had some young men appointed who were lawyers.

Q. Speaking in general terms do you not think that such a system of appointment would be preferable to the system of nomination by members?—Probationary appointments for educational acquirements would be preferable to the system of nomination.

Mr. SANDFORD FLEMING called and examined :

Q. What is your proper official designation, Mr. Fleming?—I am called the Engineer-in-Chief of the Canadian Pacific Railway.

Q. Have you a general supervision over the railway work as well as over the Pacific Railway?—My attention at present is confined to the Pacific Railway; although I am consulted about various matters. But that is my official position. I have nothing to do with the Intercolonial or any other line now.

Q. But you were the Engineer who constructed the Intercolonial?—Yes.

Q. Have you thought over this matter of the Civil Service?—Not much.

Q. What is the present rule for making appointments in your branch of the Department?—The rule at present may be gathered from what I will read entitled "General Instructions from the Engineer in Chief to the Staff." I shall explain that at the commencement of the Pacific Railway I had great difficulty in getting the right sort of men to do the work; there were no end of applicants but the difficulty was to call those that were suitable. Many were suitable and many were not suitable. It was impossible for me to examine them myself there was not time to do it. From year to year this difficulty arose, and in the spring of 1875 I submitted various suggestions to the Minister with regard to appointments, which suggestions were in the main approved of by him; they were embodied by me in a memorandum which I had printed at the time for circulation amongst the staff, so that they themselves and all interested, could see what kind of men that we wanted appointed. I will read a portion of the memorandum.

"The undersigned considers it to be his duty to communicate to the staff some information respecting appointments and terms of engagements.

"The Government, desiring to render the Engineering Staff as efficient as possible, has had under consideration certain suggestions and recommendations, submitted with that object in view by the undersigned; a system has now been adopted which, it is hoped, will prove satisfactory to those at present or hereafter to be engaged on the work of survey and construction, while in the public interests it can scarcely fail to result advantageously.

"The Engineers serving the Government on the great public works of the country, should be characterized by high integrity and skill. They should, for obvious reasons, be men of the very best character, and at the commencement of the location of the Canadian Pacific Railway, it is felt that every effort should be made

not only to secure the most suitable men that can be had, but also to adopt the course best calculated to maintain the Staff in a state of thorough efficiency.

“ Unfortunately, there are a great many young men in the Dominion who are classed indiscriminately as engineers, though many of them have not had the elementary education to enable them even to understand the principles of engineering. Some of them may have acquired the mechanical use of the transit and level, but that, in many cases, is nearly all they know.

“ Men of a much higher standard than that described are required. Those to be employed in charge of locating parties or of sections under construction, should have a thorough professional education with executive experience and sound judgment. In selecting the precise line for the railway, it is of public importance to secure the very best engineering line that the locality will admit, at the very lowest expenditure; by a single error in engineering, through want of skill or bad judgment, on the part of the officer in charge of the locating party,—which error might not be discovered until too late,—the expenditure unnecessarily made might readily exceed ten years’ salary of a really good man who would not have committed such a blunder.

“ The assistants of the Engineers-in-charge of locating parties, or of works of construction, should all have more or less training and an aptitude for their work; they should be capable of assisting the Engineers-in-charge in preparing drawings of all kinds, setting out structures, measuring works, and making calculations of quantities: in fact, they should be men who would eventually be able, as Engineers to fill similar positions of responsibility themselves.

“ Young men joining the staff, in a junior capacity, should at least have a sound character, a fair rudimentary education, and a decided aptitude for the work. It is important to have young men in training for the public service by and bye, and those only who intend to devote themselves to the work, and who are suitable for it should enjoy the opportunity of being trained.

“ The system heretofore adopted with regard to appointments and promotions, and especially with respect to the uncertain term of engagements, has not had the effect of encouraging or rewarding the best men. The system is, hereafter, to be different; the Government now favours a careful selection of young men, in every respect eligible to enter the profession, has adopted the policy of retaining and properly rewarding public officers so long as they perform their duties efficiently, and has extended this rule to Engineers in the public service as far as it can be applied.

“ The great object being to secure the best possible Engineering Staff and maintain it in an efficient condition.

“ It is proposed to accomplish this object, as far as it may be practicable, by the following means:—

“ 1. By employing, for the higher positions, the most efficient men that can be obtained.

“ 2. By giving liberal salaries, graduated with regard to the responsibilities and duties in each case.

“ 3. By offering engagements until the completion of the works, or for a fixed term of years (on good behaviour).

“ 4. By the appointment of young men, as Juniors, who are well trained and educated, who may be qualified to pass a prescribed examination, who have a sound constitution, and who are of good moral character.

“ 5. By encouraging Juniors and Assistants to pursue their studies at leisure times. By requiring them to exhibit due diligence in their work, and to give evidence, from time to time, of satisfactory progress in professional attainments.

“ 6. By promoting men from one class or grade to another by selection and merit, not by seniority *merely*.

“ 7. By removing from the Service all those who may prove negligent or indifferent, or who may turn out immoral or intemperate in their habits.

“ 8. Generally by retaining the services of the most meritorious men on terms alike satisfactory to themselves and the Government.

" 9. By a favourable consideration of, and in some cases by awarding gratuities for

" (1.) Special and meritorious services.

" (2.) Bodily accident met with on duty by which the officer is permanently incapacitated.

" (3.) Long and faithful services.

" (4.) Unexpected discharge on any reduction of staff and abolition of office, length and character of service being considered.

" The staff shall be divided into several classes, each embracing different grades. The following graduated rates of salary is for the present adopted, which rates are for engineering services alone, and do not include the cost of board, moving about, or travelling on business.

Class.	Grade.	Salaries.	
		On Surveys, per month.	On Con- struction, per year.
Subordinates.....	A.	\$ 20	\$ 240
	B.	30	360
Assistants	C.	60	720
	D.	80	960
	E.	100	1,200
	F.	120	1,440
Engineers in charge, or resi- dents on construction	G.	140	
	H.	160	1,920
	I.	180	2,160
	K.	200	2,400

*

* The salaries of the higher executive and superintending engineers are under consideration.

" The class 'Subordinates' includes rodmen, chainmen, tapemen and picketmen. It is considered that the salaries prescribed for this class should not be so high as to tempt young men to solicit employment who have no intention of following up the profession of engineering, and who have no qualifications for becoming engineers; while, at the same time, the small pay offered should be sufficient to encourage others with a fair rudimentary education and an aptitude for engineering work to enter and devote their lives to the profession.

" The branches of study in which candidates for this class should be proficient in are arithmetic, geometry (first four and the sixth books of Euclid), algebra, mensuration, trigonometry, and the elements of statics and dynamics. A knowledge of geology, chemistry, heat, light, electricity, French (or German), mechanical or free-hand drawing is also desirable, but not compulsory.

" The class 'Assistants' embraces those who have fairly entered on the profession of an engineer, who have either become proficient in the more advanced studies, or are diligently pursuing them. In promoting Junior and Assistants from one grade to another, it is intended to give a preference to those who maintain a good moral character, and who give evidence of attainments in their work and studies.*

* The attention of Assistants, who have not had the advantage of a collegiate course, is directed to the following branches of study: Mathematics, pure and applied; surveying; navigation; practical mechanics; theory and practice of construction; mechanical and free-hand drawing; designing and estimating; book-keeping; geology and mineralogy.

“The appointment of any person to a particular grade will be probational, it will in no case be considered permanent unless, when brought to the test, his acquirements be found to justify it.

“A. This grade includes those who have no experience whatever, but who have acquired an education at least equal to that prescribed by the Survey Act of Canada for pupils in land surveying, who are qualified to pass an examination on the subjects referred to, and who appear to have a decided aptitude for the work and life of an engineer.

“B.—This grade is of the same class of young men as A : but such as have had some actual practice on Surveys or Engineering work, not less than one year.

“C.—This is a grade of Junior assistants, who should have had not less than two year's experience in the field, who should thoroughly understand the use of the level and transit, keeping field books, plotting, mapping, &c., but whose experience in the actual use of instruments has not been great.

“D.—Assistants of the second grade are those who are quite able to use the level and transit on surveys, and who have had at least three years' actual field practice in engineering and surveying.

“E.—This grade includes those who, in addition to the experience referred to above, thoroughly understand location surveys, the setting out of earthworks and structures, and who can accurately measure up and compute quantities.

“F.—This grade includes, first class assistants of full experience in construction, good and accurate draughtsmen, who can be placed, with all confidence, to aid in the carrying out of difficult and costly sections of work.

“G.—This grade includes those who are capable of taking charge of a surveying or exploring party, but who may not have had experience in construction.

“H.—This grade includes those who, in addition to their being good engineering Surveyors, and possessing all the experience necessary for conducting a surveying party, have some knowledge of construction sufficient to justify their being placed in charge of light works where the responsibility is not great.

“I.—This includes really good constructing Engineers—those who have had long experience, and are fully able, under general directions, to carry out in a perfectly satisfactory manner moderately large contracts.

“K.—This grade includes first class men, those in fact whose experience, high character and attainments qualify them to act as Resident Engineers on the heaviest and most important engineering works.

“When the time comes when members of the Staff will be required to settle down on construction and remain fixed in particular localities, it is intended to furnish them with plain but comfortable houses, and as the salaries do not cover board, the residents and their assistants will be supplied with rations, or allowances will be made equivalent thereto. In the case of those having families, if the circumstances appear to justify it, the families will be assisted in moving, and it is farther intended to adopt such means as will enable families to obtain necessary supplies of various kinds at the rates paid for similar articles at the nearest market towns.

“Only the scale of salaries for the three classes of officers specially alluded to above is as yet adopted. The permanent scale of emoluments to the higher Executive and Superintending Engineers is however under consideration and it may be assumed that the Government will, with regard to these officers, sanction and adopt an equally liberal and correct policy.

(Signed) “SANDFORD FLEMING,
“*Engineer in Chief.*”

“CANADIAN PACIFIC RAILWAY,
“OFFICE OF THE ENGINEER-IN-CHIEF,
“OTTAWA,, 1st July, 1875.”

I have been pressed to take young men who were really not of the kind we wanted at all. Probably some of them were inclined to intemperate habits and their parents thought they had better get them out of the way, forgetting that they would be worse out of their sight than in their sight. I am glad to say we have very few of these. One man of that kind will not do any good to a party of men at all events. Sometimes men in my profession are suddenly thrown out of employment owing to the stoppage of Public Works. It is very hard on them; they have nothing else to fall back upon, it is only right that they should be considered, and therefore one of the rules, as above given, is, that when they are suddenly discharged they should have some compensation.

By Mr. McDougall (Renfrew):—

Q. How do you test their qualifications?—They are examined by the body of Land Surveyors in the country, we have no board here; I wish we had, but if they pass the board of Land Surveyors I am satisfied they are pretty good.

By the Chairman:—

Q. If there was not this Board you would have to examine them yourself?—I would like to do it myself.

Q. If they had not passed the Board of Land Surveyors there are no means of examining them?—No; there are no means; but if a man came who had passed a creditable examination at a good college, such as McGill, I would have no hesitation in recommending him. If he has nothing to show that he is well up in the rudiments of education I would be at a loss to know what to do with him; at any rate I would be at loss as to recommending.

Q. You have in these regulations shown what qualifications are required. Does the remark you have made about the lowest grade apply to those that you at present had no definite means of testing them by examination?—It is not intended that they should all be tested. No man is supposed to be appointed, and I don't know that he is, unless he can show that he is fit for the position.

Q. Do you examine each candidate yourself, personally?—I generally examine their testimonials, and when in doubt I refer them to somebody to make inquiries.

Q. At present there is no Board?—No.

Q. No official Board of Examiners?—No; I wish there was a Board.

Q. Those regulations only refer to the Pacific Railway service in 1875, and since?—Yes.

Q. Before that time you had no such formal regulations?—I attempted to carry out the same principles but did not always succeed. There was nothing reduced to writing.

Q. Were those principles actually carried out, for instance in the case of the Intercolonial Railway?—No; they were not strictly carried out. An attempt was made to carry them out, but it was but a feeble attempt.

Q. When you want a man, from whom does the first nomination of the candidate come?—The appointment comes from the Minister of the Department.

Q. On the nomination of yourself or some members?—Not always. It is supposed I concur in the nomination.

Q. Yes; but from whom do they proceed in the first instance?—Sometimes a member of Parliament; sometimes one and sometimes another, generally a member of Parliament.

Q. Does the recommendation originate with you or some outside party?—Some outside party, unless I am asked to nominate anyone; if so, I nominate some one I think especially fitted for the place. Very often there are a great number of nominations by members of Parliament, and selections are made of these.

Q. By you?—No, by the Minister.

Q. Is his selection generally made on your recommendation?—It is made on my knowledge, as a rule. There is no written recommendation, it is made with my concurrence.

Q. Have you always been consulted, and have you always concurred in the nom-

ination?—I have generally been consulted. I generally know who is to be appointed before appointments are made.

Q. Are they made, as a rule, from your concurrence or for political reasons?—On the Pacific Railway I don't think I protested against any appointments.

Q. Have you ever had occasion to do so?—I have had on the Intercolonial; and it is a most delicate matter to do so, because it creates unpleasant feeling. I would rather silently concur than protest.

Q. Can you say you have had reason to protest?—Yes.

Q. On several occasions?—Yes; but I would rather not say much about it.

The Chairman: These are, to some extent, delicate questions, but everybody was asked them.—*The Witness*: I had a good deal of difficulty, and I don't want to open the old sores.—*The Chairman*: There is a general understanding that everybody wants the case fully stated?—*The Witness*: Still, it would not do any good purpose to raise the question.

By Mr. McDougall (Benfrew):—

Q. It would be very difficult, I suppose, to suggest any means by which you could prevent political patronage in your Department?—I don't see how it is to be done. Some men have strong political influence and can secure the influence of members of Parliament supporting the Government upon the Ministers for their appointment. The Minister, of course, is desirous of serving his friends if he can. It is most difficult for a person in my position to say that a man is not fit for a position and ought not to be appointed.

By the Chairman:—

Q. You have always found it very difficult to resist political influence in making appointments?—It is a delicate matter to interfere with.

Q. You would feel it would be a benefit to the Service and a convenience to yourself if some test were established by which inefficient men could be excluded without your having to protest?—I feel so, of course. Hence those regulations which I suggested for the approval of the Minister and which have really been approved by him.

Q. Are you prepared to say whether you have in the course of your general experience, found that political influence in these appointments has been injurious to the efficiency of the Service, and whether by that system you have, got inefficient men?—There can be no doubt at all that through political influence men are apt to be appointed that are not the best men that can be found.

Q. But have you known such to take place, as a matter of fact?—Yes; under both Governments.

Q. I want to know whether you have known of appointments that were not to the interest of the Service that were made for political reasons. I don't refer to any Government; I don't ask you for details; but I only ask you whether political influence has injured the efficiency of your Department?—I have no hesitation in saying that it has under both Governments.

Q. Is not your department one especially liable to involve loss to the Government?—Oh, yes. As is remarked, the loss occasioned by one careless or inefficient man might exceed ten years' salary of a really good man who would not have committed such a blunder.

Q. Do you know as a fact that at any time loss has occurred from the blunders of inefficient men?—Yes; we have had losses many times, under both Governments.

Q. And that through the blunders of men you would not yourself have chosen?—Yes; men whom I would not have chosen had I been untrammelled.

Q. Has it been customary in your Department to fill vacancies by promotion of those already in the Service, or by the appointment of outsiders?—Not much; we have adhered to the system of promotion rather rigidly.

Q. As far as the amount of material you have had at hand?—Yes; I am bound to say that the organization is in a better condition to-day than it ever has been; the result partly of three printed regulations. When any influence is brought to bear with respect to appointments, we always have them to fall back upon, and we ask the

candidates whether they can come within these regulations. They have been of great protection to us.

Q. Do you find that the junior employés are generally of such a class as to be fit for promotion, or have you ever been compelled to take in outsiders from the fact that your juniors were not fit to be promoted to these stations?—In some cases, juniors have been appointed who were quite unfit for the life; they had not the education; they had not the aptitude; sometimes they had not the constitution. They very soon discovered their mistake, and as a rule drop out from the ranks. Those who remain, unless they change in some respects, will never be very brilliant officers. It is desirable in the interest of the individuals themselves as well as in the interest of the Service, to point out to them that they should not enter unless they are fit. I always endeavour to do so, so that we may get the right class of men, and so that men who are not likely ever to be accomplished engineers, may not waste their lives when they may be better employed in some other walk of life.

Q. The appointments you refer to come about entirely by political influence?—Yes; I would not have appointed them, but there are very few now.

Q. You consider that your present regulations will limit the number of such men that enter?—Yes; very much.

Q. Would not the institution of such a Board of Examiners as you have spoken of further tend to accomplish the same object?—Yes, it would.

Q. Would it be possible in your Department to choose men on the basis of a professional examination after their character and health and other qualifications had been certified to?—Undoubtedly.

Q. Would you consider that professional acquirements should be the proper ground of selection?—Undoubtedly; I must say, however in some individual cases an examination would not bring out the best men. Men may be very valuable indeed, who could not pass an examination; they may be very nervous, and their self-possession may forsake them at an examination, and yet they may be most valuable men. Again, a man may shine at an examination, and yet be deficient in other respects.

Q. It is desirable to have a good constitution?—Yes.

Q. Would a medical examination be requisite?—I don't think that is necessary.

Q. You say an examination would not be a test on all these points. Supposing you examined a dozen men on their educational capacities, would you not be more likely to find out their other qualities than under a system of appointment?—Perhaps so; I propose to promote not by seniority alone, but by merit. I could name men who could not pass a first class examination, but who would be more valuable than others who appeared to be very brilliant men at an examination.

Q. But I am speaking of first appointments. These qualities you say, could not be tested by an examination; could they be tested by any other means except by actual trial?—No actual trial would be necessary.

Q. Would not a professional examination combined with probationary appointment of actual trial be the best means?—Yes; I think an examination of candidates to begin with very desirable, and in addition to be employed on probation simply for a year, or perhaps less or more.

Q. I mean a competitive professional examination—that those who stood the highest should have the first chance of appointment?—I am not sure about that.

Q. Competitive examinations at all events would remove the political patronage?—Oh, certainly.

Q. Would you not consider that in itself an advantage even if the class of men were not improved?—I think all candidates should be capable of passing certain examinations. But I don't know that those who pass those examinations best should take a higher rank than any others.

Q. Do you not think that the abolition of political patronage by using competition as a test of selection would be an advantage in itself, even if the class of men were not greatly improved?—I dare say it would. I think officers serving the Government should be noncombative as to politics. I would go so far as to deprive them of the franchise. They would not then be required to consider for whom they

should vote. And they need not enter the Public Service unless they are satisfied to give up the privilege of voting.

Q. Would it be desirable to make the appointments free from political influence?—That is very desirable indeed, the further you remove the servants of the Government from politics the better the duties are performed.

Q. Has the system of promotion you have given us been enforced generally or only since the issue of these regulations?—An attempt was made to enforce it practically before the principles were reduced to writing; but it was not enforced to the same extent as now.

Q. Did you find that political influence interfered with the carrying out of these rules?—Very much.

Q. Do you find it less trouble now, that the rules are adopted and printed?—Yes.

Q. Before the rules were enforced do you consider a man had a proper opportunity of earning a due reward for his ability and industry?—I think the regulations have had a very good effect in this respect.

Q. Do you think without these regulations he had such a fair chance or opportunity?—No.

Q. Would you say he had a fair opportunity or not?—I am bound to say he did not have much favoritism shown him with respect to promotion that I have had to do with.

Q. At any time?—Yes; I have had to do with myself.

Q. You have generally managed the control of the appointments yourself?—Yes; although sometimes with difficulty.

Q. You have found a hinderance in the officers getting their due reward?—Yes; before these regulations were reduced to writing.

Q. Do you find your printed regulations at present sufficient protection to secure the service of such a class of men as you would wish to have; can you get such men at the price paid?—Yes; I think there is nothing on that score. My difficulty is the great number of applicants; there are so few public works going on at present in different parts of the world that Civil Engineers and Surveyors are looking to Canada for employment. A large number have come from England and from the United States besides those residing in Canada.

Q. Could you conveniently arrange examinations as a test or evidence for promotion?—Yes; I would defer to the test here; I have already considered that.

Q. You could arrange an examination to test those qualifications; or are officers at present examined for promotion?—No; in making any promotions I had to consult the officers under whom the parties had served. I ascertained from them who immediately was best qualified for promotion. That is the test. They had been tested for a long time under the higher officer, and he has an opportunity of judging of their general ability, etc.

By Mr. McDougal (Renfrew):—

Q. Which you could not here?—No; I could not ascertain so well as the officer above the men.

By the Chairman:—

Q. Are they actually examined as to professional acquirements before promotion?—No examination is necessary.

Q. Such an examination does exist at present?—No.

Q. You consider that unnecessary on account of the personal knowledge possessed by the immediate superior?—That is an evidence as to qualifications sought for and obtained. An examination would not be such good evidence as that.

Q. Could not examinations be so arranged as to test their mere professional acquirements without reference to general acquirements?—Not very well. It would be difficult to do it.

Q. Would it be advisable to require a passing of a certain professional examination as one preliminary to promotion?—No; I think it would be embarrassing.

Q. But the contrary must sometimes prevent the promotion?—Satisfactory evidence of their qualifications should be had either by examinations or otherwise.

Q. The trouble arises as to who is to decide—whether it is to be left to the superior officer. He may exercise favoritism. I wish to put it so there should not be favoritism. And would it not be better to require examination?—But, then, in the examinations there might be favoritism.

Q. But not if conducted by somebody disinterested?—It might be. One of the Board might be interested.

Q. But there would not be so much chance as if the whole affair rested on the officer?—If men are not honest there is always a chance of favoritism.

Q. There would not be so much chance in a Board as by one officer?—Probably not. Of course if any individual is not conscientious he might act dishonestly on a Board just the same as an officer might.

Q. In the case of a Board there would not be the same chance to favor one subordinate more than another?—I think when there was a new appointment there might be an examination. But in the case of a promotion I don't know that an examination would accomplish the object you have.

Q. Would it not be advisable to make an examination, one of the things required, not the only thing, to compel a man to pass a certain standard before he can be promoted, but not to make the passing the grounds for his asking promotion?—I have no objection to examinations, but I doubt if examinations alone would accomplish this object. I think if you had too many of these examinations they would be very troublesome and would not secure the best men, they might shut out men who were in every way qualified for the office they sought. I take my own case for instance: I have no doubt I could not pass such a good examination as I could have done twenty years ago.

Q. I do not ask you that examinations should be held on knowledge possessed twenty or thirty years ago, but in the actual duties employés would be required to perform in the next grade?—If you could get examinations by a competent body it would be a good thing; but I don't think you could do it. Take for instance a Board for examining engineers.

Q. Your difficulty rests on the difficulty of obtaining a proper examining Board?—That is one difficulty. The man being examined might know more upon the particular subject than the examining Board did.

Q. But the Board could appoint examiners. The examiners may be the juniors of the parties examined?—They might and they might not. Take this instance: the office of the Chief Engineer of the canals is vacant. There are many candidates for the office. Who is to examine them? One of the candidates may know more than any body of men in Canada.

Q. But my question had no reference to the staff, but merely to juniors. In your Department, these remarks do not apply higher than to heads of parties; of course they cannot apply to the staff, that must be left entirely to the responsibility of the Minister?—I don't see my way to recommending that examinations should take place for promotions, they would be cumbersome and difficult.

Q. Supposing that a man required, after being a certain number of years in the Service, to pass an examination to qualify him for the next grade, whether there was a vacancy or not. Then when a vacancy occurred you would not have to examine him, you would have him already examined. That is the rule in the army?—That may be; but I doubt whether a competitive examination would make good soldiers, they may be scientific men but not good fighters.

Q. These are not fighting men. Would it not be well to have an uniform test to which all candidates for promotion would be subjected, so that it would show evidence of professional capacity?—I think it would be difficult to carry that out.

By Mr. McDougall (Renfrew):—

Q. Supposing a man is going into one of these grades where he really requires scientific information, would it not be well on this point?—I would have no objection to examining them every year if it could be accomplished.

By the Chairman :—

Q. Supposing it were possible, would it be advisable?—I do not think it would be practicable.

Q. If practicable, would it be advisable?—It is advisable to secure the most efficient men you can get, if it could be practically carried out, which I doubt it might be advisable.

Q. Is there any superannuation in your Department?—No.

Q. Is there frequently not a great necessity for a superannuation allowance from accidents, &c.?—Yes; but the present and the late Government have both dealt liberally in cases of accident or more serious disaster.

Q. And officers who have been so injured have received a gratuity?—Yes.

Q. As to the discipline of the Department—does the power of suspension and dismissal rest with you?—Yes.

Q. Both?—Yes; suspensions rest with me and I delegate that power to the officer under me when I am away: I may be away six or seven months.

Q. And the power of dismissal?—With the Minister.

Q. But generally upon your recommendation?—Yes.

Q. Have you ever had occasion to recommend a man for dismissal unsuccessfully?—Yes; but my recommendation is generally acted upon.

Q. But you have known instances where it was not. As a rule, have you found any difficulty in enforcing discipline?—No; I have not. The rules are laid down so that no one can misunderstand them. Every one is expected to act in accordance with the rules. There are full instructions to the staff given in the book I have quoted from above.

Q. How many employees have you?—For the year there must be close on a thousand in one way and another.

J. S. DENNIS, called and examined:

By the Chairman :—

Q. How long have you been in your present position as Surveyor-General?—Since the 8th March, 1871.

Q. You were some time before that in the Service?—I have had experience more or less in the Public Service for many years.

Q. Describe briefly the class of employes that come under your charge?—Well, the class of men required in the branch under my charge must have some special qualifications beyond good business habits and a good English education.

Q. But I mean in the surveying?—That, of course, is a professional matter that is outside.

Q. But we are inquiring into the engineering and all branches of your Department?—My duties are to conduct the surveys of the public domain, and in addition to that to administer the land grants in connection with the public domain.

Q. Then you have the inside and outside service?—Yes; connected with the land.

Q. The land branch is the business department and the other professional?—Yes.

Q. Do you take any means of testing the qualifications of nominees in your department?—We do not under the present system.

Q. They are taken simply on the recommendation of whoever recommends them?—Yes; generally through political influence.

Q. Do you think that by this means you get as good a class of men on an average as you would if you made the selections yourself for business reading?—So far as my own branch is concerned, I have had very little reason to complain. The Government in power at the present time and also the other Government listen to

the Heads of the Departments. So far as my experience goes the Ministers exercise very good judgment in the selection of men.

Q. What is the number of men in the inside land branch?—Seventeen.

Q. Are the outside land agents appointed here or where they are situated?—The principal agent for _____ was sent from here. The branch agents were appointed from the head agency in Manitoba, on the recommendation of myself or the Minister.

Q. Primarily the recommendation was by some member?—No; there has been very little pressure brought to bear—indeed none successfully—to force people into these offices or into the Branch office at Winnipeg who are incompetent.

Q. But were those who were appointed put in on account of the recommendations of a Minister, or did the suggestion come from inside the office?—Yes; they were experienced in the routine of the branch.

Q. How many do you generally employ in your inside branch?—The number varies in accordance with the requirements of the Public Service. This year past we have only had eight or nine surveyors, whereas some years we employ 50.

Q. Do the parties pick their own men?—Yes; part of the service is by contract, but the more important surveys are conducted by agents paid by the day. They are allowed to select their own parties, except one or two officers of the staff, who are appointed, they having in view the following of surveying as a profession.

Q. These all require a good education?—Yes.

Q. Do you examine them?—No; the right to survey Dominion lands is given by law, and a part of that law makes it necessary that they pass an examination, which is fixed, and on passing it they receive a commission which entitles them to be Dominion Land surveyors.

Q. So that, practically, there is an examination?—Oh, certainly. At present we have an enactment by which we are in a position to provide a superior class of surveyors, men capable of conducting highly scientific surveys, explorations, and operations of that kind.

Q. Are those gentlemen about on a par as to salary, or are they graded?—The only grade is between the best class of surveyors who are employed in blocking out the country into townships. They receive \$6 a day and expenses. But the other surveyors get a mileage rate which, in prairie country enables them to make as good money as block surveyors, but not in a wooded country. At any rate we look upon the two classes as distinct, and the block surveyors are considered the best.

Q. So there is not much chance of promotion?—There is no promotion as far as surveying is concerned, as it is merely a question of how much work a man may be able to get from the Government.

Q. That is a matter outside your individual province and regulated at the pleasure of the Minister?—Exactly. The Minister is usually applied to by members of Parliament or influential friends in regard to the employment of a certain individual. The Minister usually consults me as to whether the person in whose favor the application is made is worthy of being employed. If he is, other things being equal, he gets the preference.

Q. The employment of those men, of course, generally goes in the same way?—Yes.

Q. You look upon it as employment and not appointment?—Yes. One man is sometimes only employed two or three months in the year; another man possessed of special qualifications, and who can command good influence, may be employed from year to year.

Q. What is your opinion of the general results of political nominations to positions.—I think the present system of appointments in the Civil Service is not a good one.

By Mr. Roscoe:—

Q. You mean the Civil Service generally?—Yes.

Q. You mean the inside service?—Yes.

By the Chairman :—

Q. What special evils does it lead to?—I have no reason to complain personally of the class of men I have under me, but I think that under a different system we might have more valuable men.

Q. You think more valuable men could be got for the money?—I think so.

Q. Do you think it would be possible to do the work with fewer men if you had still more efficient men?—I do not know; we are pretty well worked. We have plenty to do in my branch. They are all good fellows to work, although some of them are not as bright as they might be. I think that if a thoroughly efficient class of men were brought into the Service in a different way, the public business could be discharged with a less number of clerks.

Q. Do you think that in any professional branches of the Civil Service the evils arising from political nominations would be aggravated?—As regards professional labor in the public service I do not see very well how you could regulate it by competitive examinations.

Q. I am not speaking as to competitive examinations, but as to whether the exercise of political influence is not likely to lead to worse results in professional branches than elsewhere; are not special qualifications requisite for special branches than for any others?—Decidedly. But if the administration of surveys and the granting of lands are centred in one individual, I do not think you could settle the matter by competitive examinations.

Q. I only speak of primary appointments and not of the Staff. I only speak of the actual men to go into the field?—The admission is regulated by law.

Q. But political nominations would be more disastrous in professional branches than otherwise?—Yes.

Q. The opportunities for making blunders would be greater and the results would also be greater?—Yes.

Q. Supposing you had not the advantage of falling back upon those Dominion examiners, would you not consider it advisable to examine them in your own department?—Decidedly.

Q. Would not competitive examination be a very good test, and would it not be better to take on those men who stood the examination best?—Decidedly. The only baleful influence that political pressure exercises in connection with my service is the occasional pressure brought to bear on the Minister for the time being in favour of a certain individual as a surveyor. It is mentioned that the man is a qualified surveyor and is a respectable man, worthy of employment, and we find out afterwards that he is incompetent, and that he has passed his examination by a mere fluke.

Q. You do not find "D.L.S." absolute evidence of the qualifications of a surveyor?—That is not it; it is to the "P.L.S." that I refer. Some of the Provinces have not stringent regulations enough.

Q. If you had examinations that were fairly tried you would take the man, as a rule, who came out best?—Yes.

Q. You would advise also probationary appointments?—I would, in connection with the Dominion ordinary surveys, but not professional.

Q. On the Canadian Pacific Railway situations are permanent, and are supposed to continue as long as the men suit; would not examinations be as well in such a branch as that?—I should think so.

Q. Where the appointment was looked upon as a permanent appointment and not as a temporary job?—Most decidedly.

Q. Are there competitive examinations in the inside service?—My own opinion is that appointments to the inside service should be by competitive examinations. One of the subjects should be shorthand writing, regulated from dictation. It is a most invaluable thing. A man who can write freely from dictation should always receive the preference, other things being equal.

Q. What is the present rule of promotion—by seniority, by caprice, by merit or how?—My branch is comparatively a new one, and I have perhaps been exceptionally fortunate in having a fair element presented to me so far as my clerks are

concerned. The promotion, therefore, such as it has been so far, has been by seniority.

Q. Did you recognize the merits of the individual?—Yes.

Q. You would allow merit to overrule seniority?—I should most certainly recommend a man whose merit pointed him out as a proper man for promotion, if my opinion was asked on the subject; whether, under the present system, the Minister would take him is another thing.

Q. You have had no clash whatever?—No; all the Ministers, I am glad to say, show every desire to give the best man, and to put the right man in the right place.

Q. As to your general opinion?—My own opinion is that promotion should be by merit, other things being equal. The man who is likely to be most useful to the public service should receive the promotion. Other things being equal, the preference should be by seniority.

Q. You would go by seniority and merit combined?—Yes; I quite agree with the remark that I heard while sitting here, respecting it being desirable before confirmation that the appointment should only be temporary. A few months would be sufficient to test a man, and it should be distinctly understood that the employé was simply on trial.

Q. That he had no rights or claims until he had shown his fitness for the position?—Yes.

Q. It seems to be the general complaint that when a man has been appointed it is difficult to get rid of him?—Yes.

Q. Would it be possible to grade the work in your Department so as to separate the mechanical from the higher class of work?—We do now; part of the clerks I have are draughtsmen, and are so classified; they are ranked a little higher than the rest.

Q. Do promotions to that class take place from below?—No; it is a special class.

Q. You can test their fitness for that position?—Yes; I have generally done that myself.

Q. The competitive examination would suit that then?—Yes; in that particular branch no man would be eligible for appointment, either in the Public Works Department or in the Surveyor-General's branch, until he had shown his professional attainments.

Q. Is the work in the lower branches sufficiently similar that men could be promoted from one to the other?—I should say so; I think they could be promoted from one of the lower branches to another; I think that is not only possible, but that it would be a very excellent feature.

Q. By opening a larger field for promotion?—Decidedly.

Q. Do you find the Service sufficiently attractive to induce the best class of young men to enter it?—No; I do not.

Q. What means would you propose to make it more attractive?—I think the service is underpaid; I think a little increase in the pay, together with competitive examinations and promotion by merit would make it more attractive.

Q. Would you consider the increase of pay or some chances of promotion to be the higher attraction?—I think if the alternative was put, the employés would prefer promotion by merit. There would then be less complaint of the present rates of salaries.

Q. Would not the complaint of low salaries be decreased if the rule was invariably followed of promoting the men according to merit and by putting the young men into the lower branches?—Yes.

Q. So that they would have a decent chance to attain a salary before they get a family?—Yes; I do not think there would be any reason for complaint if the salary was even lower than it is at present for young men just entering the Service, and the increase afterwards was liberal according to proficiency. The men want to get married and not having salary enough to support a family they run into trouble.

Many of them have a family about them before they get even \$1,000 a year, and it is quite pitying to see them doing so. Sometimes I have thought it would be almost well to say that no man should be allowed to marry until he had got a certain salary. I think that promotions for the first, second and third years should be more rapid than they are.

WEDNESDAY, APRIL 11th, 1877.

Committee met.—Mr. CASEY in the Chair.

Mr. BRUNEL, Deputy Minister of Inland Revenue, appeared before the Committee and read a statement, embodying his views on Civil Service reform, as follows :—

MEMORANDUM respecting the Civil Service in so far as the Department of Inland Revenue is concerned, given in evidence before Civil Service Committee, April 11th.

As to Inside Service.

The comparatively short period during which this Department has been in existence has not afforded the same amount of experience as has been had with reference to the older Departments. Of the employés who were first attached to this Department only one, besides myself and the messenger, now remain. The others have been removed by death, superannuation, resignations, or removal to other branches of the Service. The Department was established in 1867.

I am not aware that, in reference to appointments in the Inland Revenue Department, any notice has been taken of the Civil Service examinations provided for in the Civil Service Act. This Department has never been officially informed whether the parties appointed in it have passed that examination or not. I am a member of the Civil Service Board, but I do not remember having ever heard the examinations officially mentioned, though they may have been referred to incidentally.

The employés now on the staff are, as a rule, efficient, and occupy the relative positions for which they are best adapted ; but I do not think that in every case the pay they receive is in proportion to the nature of the duties they perform. Some injustice is done in that respect.

The present Civil Service Act contain some useful provisions, but they are not always obeyed. The restrictions as to the age at which an individual may join the Service are valuable, but so far as I know they have not been much regarded. At all events they have been oftener disregarded. It is, I think, very desirable that the Service should be recruited by young men who will make it a profession, and who would then prepare themselves for it, and more thoroughly identify themselves with it. Cases do arise in which it is necessary to look outside the Service for special qualifications, but the necessity for so doing should be very clearly established before that course is resorted to. That course should not be taken until it is quite evident that the requisite qualifications cannot be had within the Service. Above all, when a good appointment is given to an outsider on the ground of special qualifications, there should exist some means for determining beyond all cavil that the recipient does really possess the qualifications alleged to be necessary.

Cases may, it is true, occur when special qualifications which cannot be tested by any system of examination are necessary. I may mention *reticence, decision* and a capacity for *sound reasoning*. These qualities of the mind are essential in all the higher offices and their presence can only be ascertained by a personal knowledge of the individual, accompanied by a knowledge of men.

The intention of the present law as to appointments for special qualifications is tolerably clear, but not always observed.

But, notwithstanding the value of some of the provisions of the Civil Service Act, I am persuaded that practically it works a good deal of mischief, more than enough to neutralize all the good it is capable of. I have observed its workings pretty closely since Confederation, and the conviction has been forced upon me, that the law has a tendency to make the employees feel that inefficiency is about as likely to lead to promotion as efficiency. Annual increments of salary and eligibility for promotion when established by law, and without reference to ability or merit, have, I think, a decided tendency to increase that feeling. That being the case, they not unnaturally become indifferent. Of course, I speak in general terms. There are many honourable exceptions. There are clerks in this Department who take as warm an interest in their work, and as much pride in having it promptly and well done, as any men can possibly do.

With certain reservations as to the character of the examination, I am of opinion that competitive examinations for first entrance to the Service would effect much good. If such examinations merely referred to educational acquirements they would be of little value. To be useful they should relate to some specific object or objects in connection with the proposed Service.

There are qualifications essential to all branches of the Civil Service, and there are qualifications peculiarly necessary to certain branches of the Service, all of which may be fairly tested by examination. But there are also qualities which every member of the Civil Service should possess, the existence or absence of which no system of examination can test. They can only be determined by personal acquaintance and probationary employment. Among these qualities, may be mentioned honesty, sobriety and application. Nevertheless, the qualities which may be tested by examinations properly conducted bear a large proportion to the whole, and hence I infer that a system of examination combined with probationary employment and with due precautions for ascertaining the physical and moral character and personal habits of the candidates would work a most beneficial influence on the Service, and may at the same time be made conducive to economy.

The service of the Government ought to command a higher average ability at a lower cost than the same average can be had for by private employers, banks or other corporations. The Civil Service has many considerations to recommend it. It is respectable; it is permanent during good behaviour; it is not, except in some exceptional cases, over-laborious; the pay is sure; it is not probable that the employes will ever be affected by depression of trade or commercial fluctuations; and as now arranged, the Civil servant who performs his work with reasonable efficiency during the vigour of his life, may retire in his old age on an income sufficient for all reasonable necessities. On all these points the Civil Service offers decided advantages over private employment.

But in order to avail of these advantages, certain conditions are necessary. One condition is a reasonable certainty that merit will secure promotion as vacancies occur. The converse of this is equally necessary—that promotion cannot be had without merit.

If the employes could be made to *feel* that these conditions had assumed a substantial form, I am confident there would be an immediate and decided improvement. And if the same feeling prevailed outside, it would induce more highly qualified persons to look for employment in the Service; and those seeking such employment would be more careful to qualify themselves for it. It would follow that the salaries now paid would secure more efficient services, and in that way greater economy as to the number of employes would be possible.

It is not difficult to conceive how a system of examinations might be devised upon which admission to, and promotions in, the Service should be based, and which would have the effect of inspiring a feeling of confidence both inside and outside the Service that merit would be the most reliable road to advancement. But to do this effectually, the system must be so contrived and administered as to ignore all mere political considerations.

Of course, the fact that the Minister of the day must, under our system of government, be held responsible for all appointments to the Public Service, cannot be ignored. I am not a politician, and may perhaps be pardoned if I suggest that the Minister who inaugurates such a system as will secure the greatest degree of efficiency at the smallest cost will best discharge his responsibility. To do that effectually, it is necessary to thrust aside all political influence that tends to cast a doubt on the certainty of promotion going by merit.

A satisfactory solution of the problem appears to require a system which shall insure, with reference to persons first entering the Service: That they shall not have passed a stated age, that they shall be in the enjoyment of good health, and that they shall have a reputation for sobriety, integrity and industry; and, although these qualities cannot be tested by examinations, their presence or absence may nevertheless be determined with reasonable certainty by suitable regulations respecting applications for admission to examination and probationary appointment. The Government, like all other employers, must take some risk on these points.

Having advanced this first step it must next be determined what qualifications are most necessary for properly filling existing vacancies in the probationary class. To explain my meaning more fully it may be convenient to state a hypothetical case. Let us then suppose ten vacancies—five to be employed in statistical work and five as copyists. It is not difficult to determine what subjects the candidates for such employment should be examined in. Writing grammatically, spelling, writing neatly and with due despatch, tabulating figures, expertness in picking out and classifying quantities, proficiency in addition, multiplication and subtraction. All these qualities can be readily tested and valued by examination; and assuming that we have fifty candidates who comply with the conditions as to character, &c., first stated, it seems only reasonable to assume that the ten who showed the greatest proficiency in such an examination would, as a rule, be the best men to appoint.

It is quite possible that of the ten so selected, some one or even more might, on being submitted to the probationary test, turn out somewhat different to what was expected, and a different estimate may then be formed of his capabilities. He may not possess the necessary application to work, or removal from his home and new associations may act injuriously on his habits. These are risks which must, under any circumstances, be taken. But the especial value of the probationary appointment lies in the opportunity it affords of testing these things.

In this Department appointments have, during the past three years, been usually of a probationary character, and considerable advantage has been derived from the practice, though there have been influences at work which have to some extent neutralised those advantages. If a probationary appointment were made in defiance of, or without reference to political influences, and the appointee proved to be unsuitable, there could be no difficulty in dealing with him as he deserved. But if the appointment is made through political influence, it is apt to be as difficult to deal with the appointee as it would be if he were permanently appointed. For this reason, I think it is important that the probationary class should be open to those who have first passed the ordeal of some such examination as I have sketched, and that such examinations shall be open.

Examinations for probationary appointments should, in order to give all eligible aspirants a fair opportunity, be held in various parts of the Dominion; but candidates would necessarily incur some expense which as it would deter the notoriously incompetent from competing, would be rather an advantage than otherwise. Among the advantages of competitive examinations an important one is that the mere fact of having to pass such an examination will usually deter those who are incompetent from submitting themselves to the ordeal. The result of the several examinations, must, of course, be so taken and recorded that a just comparison can be made.

Having made provision for recruiting the lower grades of the Service, it becomes necessary to consider how its internal economy is to be regulated, especially with reference to promotions.

I know of nothing so calculated to depress the zeal of a public servant who is so conscious of having done his work thoroughly, and to the satisfaction of his immediate superiors, and who knows of no blot on his character or habits as, with his chiefs expression of satisfaction sounding in his ears, to find himself deprived of legitimate promotion by the appointment of some inferior officer, or perhaps an outsider, who, to say the least, has established no claim to superior qualifications. It is not surprising that a man so treated should become soured and gradually sink below mediocrity in the full conviction that efficiency is not the road to advancement. Out of seed so planted the country reaps a plentiful harvest of expense, delays, red tape, circumlocution, and inefficiency of which we hear so much when the pinch of the shoe is felt.

It has been said in effect by a shrewd observer that it is vain to look for efficient service from dissatisfied servants, and all the experience I have had tends to confirm the truth of the observation. Hence the importance of so managing the promotions in the Service as to remove as far as possible all just causes for dissatisfaction.

It may be assumed that in each Department there will be work more or less special to those branches of the Service, and it should be an object to obtain material suitable for the work. In all Departments there is work which requires for its efficient performance no very high educational accomplishments nor, in fact, much more than industry. In the class suited to that sort of work, a good many of those appointed on probation would find a permanent abiding place. For, while those who have the ability requisite for filling higher places should have the chance of raising themselves as vacancies occur, it by no means follows that mere length of service should insure promotion. Promotion by seniority, all other things being equal, is just; but it can not be admitted that a young man who would be incapable of taking a high position in private service should be able to do so in the public service. It is probable that promotions by seniority irrespective of merit, have done their full share of mischief.

Speaking exclusively for the Inland Revenue Department, there is no difficulty in dividing the work into *sections*. Commencing below the sections would probably be: *Statistics, accounts, or book-keeping, correspondence and technical and scientific*. Each section would, of course, demand two or three degrees of ability, and there should be a head over each.

There does not appear to be any insuperable, nor indeed any grave difficulty, in preparing examination papers and so conducting examinations as to obtain a valuable index as to the relative ability of the various persons available for the required work. To that end, I consider competitive examinations within the Service would be of great value.

Assuming that a number of vacancies occur in any grade or section of the Service, I think there should be a competitive examination open to all the grades in the service below that in which the vacancies exist, and the promotion should be given to those who stand at the head of the list in each case. But in all such competitions the general character which each candidate has acquired with his immediate superior, for industry and personal habits, should have a definite value attached to it and should be dealt with in the competition.

I would deal on this principle with all promotions, until we come to the higher grades to which appointments can only be judiciously made upon a thorough knowledge, acquired by personal intercourse, of the qualifications and mental qualities of those who are available for the service. There is but little danger of wrong or injustice in leaving such appointments untrammelled, for every man will, as far as in him lies, take care to select a suitable person as his immediate subordinate. Hence, when the Minister appoints his Deputy, he will for his own credit and comfort take care to select a suitable person.

Nevertheless it should be understood that selection for such appointments will be made from the service if a suitable man can be found, and that the man wanted will be looked for without as well as within the Department to which the proposed appointment relates, before going outside the service; but obviously one trained in the

Department will be more likely to understand its working and the duties he will have to perform than one comparatively new to them.

Discipline in a Department is as essential to the proper performance of its functions as ability on the part of the employees. Without discipline the work is apt to be both expensively and badly done. The maintenance of discipline must mainly depend on the influence possessed by the Deputy-head over his subordinates, and I apprehend that more responsibility should rest on him than is at present understood.

I make this observation because it is sometimes assumed that the political Head of a Department can at once step into his office and personally control the whole of the details. Of course the absurdity of such an idea is evident to any one who has any experience. The political head of a department might sometimes find time personally to exercise his authority, but generally the higher duties of his office do not permit him to devote himself continuously to matters of a subordinate character. At least the attention so given cannot be continuous, and its necessarily irregular nature would have a tendency to weaken the hands of his Deputy, and, what is worse, create a sense of relief from responsibility which ought not to exist.

Hence I incline to the belief that whether in the larger Departments or in those where the range of business is narrowest, and the number of employés smallest, the business should be so conducted as to make all feel that the recommendation of the Deputy Head, and his approval of the conduct of the subordinate officers, is a necessary step towards preferment. I would go further. I would place him in a position to administer a substantial rebuke to inefficiency or insubordination. If that officer is not fit to exercise that much power, he is not fit for the position.

The same principle should prevail with reference to the heads of the several sections. This can only be carried out by establishing well-defined rules of conduct. For the honest and impartial administration of the Department in accordance with such rules, the Minister should hold his Deputy to a strict account.

One of the most grievous foes to discipline is the advancement of individuals at the cost of sacrificing the principle of advancement by merit. It is not unreasonable to imagine some such case as this. A clerk, without having had his qualifications tested by any process that would establish his fitness for the office, by some personal influence finds himself in an important position in opposition to the opinions of the permanent head of his Department. He owes his chief no allegiance. He can hold his post in spite of him. It may be said that a clerk so placed would feel that by and by his friends may be out of power, and that then there would be retribution. There is no probability of that. The chief officer knows that any such action on his part would be attributed to a feeling of vindictiveness, and that the object of it would forthwith become a martyr.

I desire to guard myself against being supposed to assert that all who are appointed by political influence make bad officers. On the contrary, I know that excellent men have been brought into the service in that way. I only assert that the knowledge that appointments are so made is necessarily detrimental to the service, and that the evil so caused might be avoided without excluding any of the useful men who would enter the Service in that way.

Outside Service.

Speaking generally, the preceding observations apply equally to the outside service; but the outside service of the Inland Revenue demands a considerable amount of special knowledge of a technical character, and it is rarely possible to find persons who possess such knowledge before they enter the service. Occasionally, however, men with special qualifications have been found. From this it is seen how necessary it is to avoid the appointment of men far advanced in years unless they have already acquired the requisite knowledge. When the Excise service first assumed considerable importance the opportunity was afforded me of pressing upon the consideration of the Minister the views I held on this subject. I submitted a report in 1866, in which I suggested some general rules for governing appointments and promotions in

the Excise service, and for constituting the Excise Boards of Examiners. That report was adopted by Order in Council and, so to speak, became the constitution of the Excise branch of the service. To a large extent it has been acted upon, though not infrequently it has been disregarded. The Departmental reports on this subject for 1874, 1875 and 1876, which have been laid before Parliament, will show to what extent the service has been managed in accordance with the Order in Council above mentioned.

During the past three years appointments in the outside Excise service have, with few exceptions, been probationary, and have been made by Departmental letters only. The confirmation of such appointments by Order in Council being conditional on the parties passing a satisfactory examination. Previous to that time the appointments were more frequently made at once by Order in Council, but I do not remember more than one case where the appointment by Order in Council was not made conditional on the parties passing the prescribed examinations in a satisfactory manner. I believe this mode of making appointments has a very beneficial influence, though it would be better to have a preliminary examination and then make a probationary appointment by Departmental letter, reserving the formal appointment by Order in Council until the character and qualifications of the candidates are thoroughly known.

Appointments so made afford young men an opportunity for acquiring a knowledge of the duties to which it is proposed to appoint them, while the knowledge that they are subject to further examination before they can be firmly seated would act as a stimulus to study.

Such a result has been greatly promoted by the publication of the examination papers with the results of the examinations that have been held. These documents I have reason to know are anxiously looked for and carefully studied by most of the younger members of the Service, as well as by some of the older ones. Practically these examinations have been a technical school which has greatly promoted the study of the technical subjects connected with the service.

The examinations have enabled the Department to classify the officers in accordance with their abilities. This is in itself a great advantage. It is always desirable to place a man at the work for which he is best qualified, and this the examinations afford us the data for doing. They have also enabled the Department to place the least competent men where they can do the least mischief, and this feature has some value.

It may be accepted as an axiom that a man who cannot pass a third-class examination, after being in the Service a year or eighteen months, is unfit for it and should be removed.

The nature of the past excise examinations may be ascertained from the papers laid before Parliament during its present session. From them it will be seen that the examination papers have been prepared exclusively with reference to the work which the candidates may be required to perform. I do not think any other kind of examination would be of any value. I lay great stress on this point. If conducted merely with reference to ordinary educational acquirements, they would be of very little use.

It would be an improvement on the system of recruiting the outside service which has hitherto prevailed, if when additional officers are required open competitive examinations were held. The number of appointments to be made should be announced, and the branch of the service to which the probationary appointments would be made should be specified, as well as the places at which the service would commence. The examinations should then be held at various places where candidates could conveniently present themselves. This would be indicated by the applications for admission.

The examination papers should be prepared with reference to the branch of the Service for which recruits are wanted. In this way for every ten appointments, there would, perhaps, be one hundred candidates to select from. It would be strange

if in that way we did not secure a better class of recruits than we can reasonably hope to obtain when they are subject to no test at all.

The parties who receive probationary appointments, would, of course, be subject to further examination before their appointments would be confirmed, and thereafter every step upward should be competed for, and the competitors should have absolute confidence that, so long as there was no disqualification by reason of bad habits or the like, to head the list would be to secure the coveted vacancy.

Practical results are held to be of more value than theory, and as ten years have elapsed since examination came into use in the Excise Service, it may be stated, as a practical result that very obvious benefits have been derived from them. As a rule—the exceptions being so rare as only to prove it—the best officers are those who have passed the best examinations, and they have attained the highest places in the Service. In attaining those places they have been greatly assisted by the manner in which they passed their examination, but especially by their thorough knowledge of technicalities of the Service which they were found to acquire before they could pass them.

I think this statement will be fully sustained by the reports and returns which have been made to Parliament by the Department.

(Signed) A. BRUNEL,
Commissioner of Inland Revenue.

DEPARTMENT OF INLAND REVENUE,
April 11th, 1877.

The Witness was then examined :

By Mr. Charlton :—

Q. What would you do with officers who having been in the Service beyond the time allowed have not gone through their examination?—We have in the Excise Branch about thirty officers who have not passed the technical examination for the more difficult branches.

By the Chairman :—

Q. Who, I suppose, are not yet confirmed?—They are not, but in most cases they continue to hold their positions.

By Mr. Charlton :—

Q. They have not, I suppose, been finally appointed. What would you propose to do with incompetent officers—I suppose such are never appointed?—Such appointments have sometimes been made. It is necessary in the interests of the Service that incompetent officers be removed.

Q. Have you ever known of dismissals for political reasons?—No.

By Mr. Roscoe :—

Q. When an officer is dismissed in your Department does the recommendation for his dismissal come from you in the first place?—No; but it is my duty to discuss the point with the Head of the Department.

By Mr. Charlton :—

Q. Who approves of your suggestions?—Sometimes that will depend upon circumstances.

By the Chairman :—

Q. To get a clear idea of the present rule I wish to ask, did I understand you to say that you now required an examination in all the branches?—No; the system does not prevail so far.

Q. Is there not such a thing as special examinations for promotion, or as to salaries?—There is such a class as “special.” We are only allowed twenty in that class. They have to pass a very severe examination. The object in establishing this class was to secure men who have a thorough knowledge of manufactures subject to Excise.

By Mr. Paterson :—

Q. You do not care if you obtain technical knowledge with candidates for appointment?—We would be glad to find that they possess technical knowledge when they came into the service but before a candidate is put to a crucial test we give him an opportunity to acquire knowledge in the service.

Q. What time do you give him?—We give him twelve months to acquire it.

By the Chairman :—

Q. Do you think a technical examination should be required in all cases?—I think a technical examination should be required in all cases where the employment demands technical knowledge. I do not think thorough technical knowledge can be expected, but we should know what knowledge the candidate possesses. Our Excise Officers require in all cases to have a knowledge of the lower branches of mathematics. It is necessary for the intelligent survey of distilleries and malt houses. I have known cases where it became necessary to determine the quantity of spirits in a vessel which was of the form of an inverted cone, the bottom being an inclined plane.

By Mr. Paterson :—

Q. This would be a case of inspection?—Yes.

Q. An officer would hardly be expected to examine all this himself; it would be examined by an expert?—Yes; but an officer should understand it.

Q. The question I wished to ask was, whether you had different examinations—one in book-keeping and another in that particular knowledge necessary in the routine of the Excise Department?—The subjects are classified; there are seven or eight subjects, and marks are given in each subject of examination. A candidate who takes all the subjects and gets a certain number of marks, is classified. If he gets less than 800 marks he is not classified.

Q. What are the advantages of classification; are collectors taken from first-class men?—They ought to be.

Q. Are they?—That is a question. I do not think that all the advantages that should result from the system of classification have been availed of. Still, if a man is very low in his examination, I think it is always a bar to his promotion—not an insuperable bar, but one he will be anxious should not exist.

Q. Is promotion according to efficiency?—I cannot say that it is.

By the Chairman :—

Q. You cannot say, then, that promotion follows the test of efficiency in an officer?—No, not always.

Q. Have you found any difficulty in the way of arranging such a system as would make promotion depend on efficiency?—There should be no great difficulty in doing so.

By Mr. Paterson :—

Q. You would not limit your promotion to one office; for instance, when a collector dies, you would not appoint a successor from the same office?—I would not limit the promotion to the same office, but extend it all over the Department. I have always advocated this. I have always held that it would be an advantage if promotion should be made so as to exchange officers between the different Provinces.

By the Chairman :—

Q. Referring to technical examinations, if candidates professing to have technical knowledge stood the examination, would you think the fact of their standing the examination *primâ facie* evidence of their capabilities?—Yes; I think so as a rule.

Q. Of course *primâ facie* evidence is not proof, but in the absence of evidence to the contrary it makes a case?—Such evidence would be in their favour.

Q. Do you consider competitive examinations an improvement?—Yes.

By Mr. Paterson :—

Q. Are you in favour of competitive examinations for probationary appointments?—Yes.

Q. What is the necessity for probationary appointments; you have taken away all danger of offending any party: you place on the same footing both employés and

employers?—I think I have stated important reasons to show that preliminary examinations are not sufficient; an employé, prior to his appointment, may have had a good character; he may come here to Ottawa and fall into bad habits and bad company, and it may become desirable that he should not be retained in the Service.

Q. You do not quite understand me; you say you are in favour of probationary appointments for one or two years; but what is the necessity for probationary appointments at all; does not an appointment hold good only during good behaviour?—It sometimes holds good during very bad behaviour.

Q. It is understood when a clerk is appointed that it is a permanent appointment, but if, in the course of two or three years, he develops bad habits he may be dismissed. Of course he will be on probation all the time?—There is a great difficulty in this. In order to get rid of a man appointed by Order in Council it is necessary to have recourse to the same authority to dismiss him; you cannot get rid of him except by an Order in Council. In the other case you merely drop him.

By the Chairman:—

Q. When appointed by Order in Council there is so much political influence that you cannot drop him?—No; it becomes a difficult matter to dismiss him.

Q. It would require greater misconduct on the part of an employé to get rid of him?—Very much.

By Mr. Kirkpatrick:—

Q. By giving him a permanent appointment you give him a sort of claim?—Yes.

By Mr. Paterson:—

Q. You give him a claim if it turns out that political influence is on the same side; but we are discussing a system in which these influences are supposed not to have sway. What I wish to ask is this: if a candidate fails to get an appointment and has strong friends in the administration, or if, being appointed, he is guilty of misconduct sufficient to justify his dismissal, and if that is done, the charge may still be brought against the Head of the Department that he was quietly dropped to give another a chance?—If probationary appointments only are made, they would cause no feeling at all, and if you want to get rid of a man no regular report will be necessary as in the other case. In one or two years you know what kind of a man he is, and if the conclusion is that he does not suit then he may be easily removed.

By the Chairman:—

Q. The English system is, that unless a favourable report is made at the end of one year, I believe, setting forth that the employé is efficient, he could not be retained in the service. Do you think that system offers any advantage?—I think it would be a less slur upon his character in the case of his not being retained in the Service. Another advantage is that you make some one responsible for his efficiency. A great deal depends on making some one responsible.

Q. You would make the Minister, or Head of the Department responsible?—I would make the one who knows him personally, and who employs him, responsible.

Q. Have you any power of dismissal?—None at all. If the Minister is not here in Ottawa I have the power to suspend.

By Mr. Paterson:—

Q. Have you this power both in the outside and inside Service?—Yes.

By the Chairman:—

Q. Have you any difficulty in maintaining discipline?—No; I do not find any difficulty as a general rule. There have been cases in which some difficulty has been felt; but they have been few. Such cases are very difficult to deal with, and the Deputy should have power of making the employé feel that the Deputy had the power of administering a substantial reprimand.

Q. Did you ever make a report on a case of bad conduct that was not acted upon?—I once reported a case—not of bad conduct but in which the clerk did not attend to his duty, and I know that that clerk was not only retained in the Department but he got an increase of salary.

Q. How long ago was that?—That was a considerable time ago.

By Mr. Paterson :—

Q. You say he got an increase of salary when your recommendation for his dismissal was made?—I did not recommend his dismissal.

Q. It is sometimes supposed that political Heads of Departments do not always treat the permanent deputy-heads well when the latter are appointed by political opponents?—I was appointed under the administration of Mr. Sandfield Macdonald, and I have been treated well by both political parties. It is a matter of perfect indifference to me which is in power.

By Mr. Kirkpatrick :—

Q. Have you ever known of an instance in which an increase of salary was granted without the recommendation of the Deputy-head?—As a general rule he is consulted; I have, however, known instances in which his opinion was not asked.

Q. Are his recommendations generally acted upon?—They are not invariably acted upon; but as a general rule he is consulted.

By Mr. Paterson :—

Q. Do I understand you to say that in all matters of this kind the Deputy-head is generally almost all powerful?—No; I said he is generally consulted; I did not say he was all powerful.

By the Chairman :—

Q. As a general rule, does the influence in making appointments really lie in your hands, or in those of the Heads of Departments?—In the Heads of Departments.

Q. Do you refer to the inside or outside service?—I refer to both.

Q. What as regards the outside service?—I think my recommendations have had weight.

Q. Does the same rule apply to promotions?—With regard to promotions in the inside service my representations have, as a rule, been listened to. There have been some exceptions.

Q. Are you asked to suggest the men for promotion?—We have not had many promotions; it is a new department, and there are not many in it. I have only been six years at the head of it.

Q. But when promotions are made, are you, as a rule, consulted: are you asked, for instance, "Is such a man fit to be promoted?"—I have been generally consulted, but not always.

By Mr. Paterson :—

Q. I suppose a consultation is held between the Minister and yourself. Have you found him to resist the suggestions you have made as to promotions?—I have found him anxious, generally, to listen to my suggestions, because he would get information as to the efficiency of officers from me. He listens to what I have to say; and if there are objections, he may give way after he has heard the reasons I have had to urge.

Q. Have you been asked by Heads of Departments to recommend officers for promotion?—Yes.

Q. Is it not understood in the Department that the Deputy head of the Department is in a position to deal with promotion independently?—No; he can only recommend favourably for promotion, it is for the Government to decide.

Q. Do you believe that if he had that power absolutely it would conduce to the perfection of the efficiency of the Service?—There should be definite rules for his guidance, and he should be responsible to the head of the department for the proper administration.

By the Chairman :—

Q. Is there work of a technical kind to be done in the Department?—Yes.

Q. So much so that it could not be done by the ordinary officers?—Quite so.

Q. Do you think that the efficiency of the Service would be promoted by separating those branches?—No.

Q. I suppose you have some men who are not sufficiently qualified for general work in the Department?—Yes; there are men in the Service who are only fit for

certain kinds of work, such as compiling statistics and tabulated work, and who would not be fit for other work.

Q. Are there prizes in the Service in the way of salaries?—Yes; there are a few good positions with fair salaries attached.

Q. Do you think those prizes are given principally to outsiders or to employes taken from within the Department?—I think the prizes are too often given to outsiders—men who are not in the service.

By Mr. Kirkpatrick:—

Q. Have collectorships been given to outsiders?—Yes.

Q. Do you think that if the prizes in the service were put within the reach of every young man entering the Service it would tend to promote the efficiency of the Service?—Undoubtedly it would.

THURSDAY, April 12th, 1877.

Committee met.—Mr. CASEY in the Chair.

Mr. PATRICK, Clerk of the House, called and examined:

By the Chairman:—

Q. How long have you been in the Service?—From the 17th January, 1827.

Q. That is for fifty years?—Yes.

Q. How long have you held your present position?—Since January, 1873.

Q. You hold your office under a commission?—Yes; a commission under the Great Seal.

Q. Before that were you in a high position?—I was Clerk Assistant since 1858.

Q. You have had every opportunity to see what was going on with regard to the efficiency of the officers of the House under your charge; are all the officers under your charge?—They are, by a rule of the House, except the Sergeant-at-Arms.

Q. Mention the grades?—Law Clerks; Translators, (English and French;) English and French Journal Clerks; Clerks of Committees; Standing and Select; Clerks of Votes, &c.

Q. Can you state the number in all the branches of your Department, English and French?—Thirty-nine in all the branches of the Service, under the Clerk of the House.

Q. By whom are those clerks appointed?—By the Speaker, upon enquiry as to the necessity of their appointment.

Q. That is under his patronage as Speaker of the House?—Yes; that is his patronage under the rule.

Q. And is it the Speaker who is to decide as to the necessity of having them appointed or yourself?—The Speaker freely consults with the Clerk before he makes appointments or fills vacancies.

Q. From whom does he learn when vacancies occur?—From the Clerk of the House.

Q. Are all appointments made on your recommendation?—Not as a matter of course.

Q. Are clerks ever appointed without a statement from you that they are required?—In exceptional instances it might be done.

Q. Are they ever appointed except when you have asked that it might be done?—In some instances where political interest is brought to bear, changes are made and appointments given by the Speaker without my knowledge, or without special reference to me.

Q. Then I suppose that these appointments are like other appointments, a matter of patronage?—I think so.

Q. Of course, I do not mean improper patronage, but the same as in the other departments of the Civil Service?—I think so.

Q. You have a large class of sessional employes?—Yes.

Q. What is your opinion as to that class of employes?—My opinion is, to engage as few of that class as possible, and more permanent sessional clerks, paid a certain sum per session, who are efficient men—that is, without yearly salaries; they are generally clever young men who do the work well, and I much prefer this class to those attached to the Department with low annual salaries. Our Service is a peculiar one. We have three months of very hard work, and during the rest of the year the work is very slack; but there must be a certain number of permanent officers, men of special ability, whose salaries should be extra good. We can always command the services of extra clerks, at the fixed pay of a pound a day during the session—such as law students and others. I have never recommended the filling up of vacancies by the appointment of permanent clerks at lower salaries.

Q. What is the number of sessional clerks now engaged in your Department?—Thirty-six, distributed throughout the various offices and Committee rooms where required, as well as, also, in the engrossing and copying rooms.

Q. What do you mean by permanent sessional clerks?—There are five most efficient men paid \$400 each for a session, long or short.

Q. By whom are these sessional clerks paid?—By the sole authority of the Commissioners of Internal Economy of the House of Commons, who have by law the sole control over every salary and pay of any kind; this is their only function.

Q. What amount of qualification would you consider necessary in a young man to make him an efficient sessional clerk?—The most important is a ready use of the pen and general intelligence in transacting official business, and legibility and correctness in copying.

Q. They have few other duties?—Very few.

Q. Can you not arrange an examination of some kind, say in dictation, to test the handwriting and general intelligence of applicants?—I should recommend that there should be no appointments except after a test as to the general intelligence of the applicant. In that case we should doubtless have a more efficient class of sessional clerks.

Q. Is there any scope for promotion in the House Service?—No other than by attaching or making an assistant of one who has knowledge of a particular branch, and keeping him familiar with the duties, so that he may understand the duties of the position thoroughly and be fully prepared to take the place of the Chief in case of a vacancy occurring, or in case of sickness or death. I have one attached to each of the offices; I think it absolutely necessary.

Q. How are promotions made—by seniority?—Not always.

Q. You promote them strictly according to what you consider indispensable qualifications?—Yes.

Q. It would be inexpedient, then, to make promotions throughout the House Service promiscuously?—That would be impossible.

Q. Is there much scope, much room for promotion?—Not very much.

Q. There is not any considerable prize in the way of salaries I suppose?—Yes; the Chief in each branch of the Department holds a very good position and worthy of ambition.

Q. There is then a fair prospect of good salaries in the service of the House?—There is; but it is very slow; and it has been particularly so since Confederation.

Q. Do you think that any arrangement could be made to increase the rapidity of promotion?—No; I don't know that we can; for instance, the head clerk of the journals is a man who must have peculiar qualifications; the formulating of the journals is a specialty in itself. There is no other in the Department except his assistant who could do the work, and that is the one who is educated to take his place.

Q. The work, then, is very much individualized?—Yes; each one has his own peculiar duties.

Q. As a rule, I understand that you promote invariably from within the Departments instead of bringing in outsiders?—Yes; I have only known this rule departed from in one or two cases.

Q. As to the discipline of the Service of the House, with whom does the power of dismissal rest in case of inefficiency?—The power of suspension rests with the Clerk of the House.

Q. And the power of dismissal?—With the Speaker. The Speaker under the law has the power of dismissal over all employés except the clerk himself; and he has the power of suspending him.

Q. Are dismissals generally made on your recommendation?—Yes; in every case.

Q. You consider that it is necessary, in order to maintain proper discipline in all the offices of the House, that this should be done on your recommendation?—Undoubtedly; as the Clerk of the House is held responsible for the proper performance of the duties by all the officers and clerks who are in every official respect his deputies, to this end the House by its rule has placed them all under his control and direction.

Q. In case you did not suspend a man for improper conduct might not the Speaker lower his salary?—In such a case, the Speaker may lower his salary if he should judge proper to do so.

Q. Have your recommendations ever been disregarded in this respect?—Never; quite the contrary.

Q. When you get a clerk who is inefficient, have you any difficulty in dismissing him?—Yes.

Q. How does the difficulty arise?—It arises from the interest of friends in the House who bring influence to bear on the Speaker.

Q. Have you any suggestions to offer, that, you think would, if acted upon, promote the efficiency of the Service?—While I do not undervalue the advantages of a competitive examination for candidates prior to their entering the Civil Service, I am very strongly of opinion that there is no quality more requisite and essential to efficiency than that of an apprenticeship in a subordinate position in the Service before being appointed to a place of responsibility; or, in other words, that a vacancy in an important position should, in all cases (except when an expert may be required) be filled by a subordinate in the same Department.

Q. Supposing a number of candidates were before you for choice, all of them equally inexperienced as to the duties they would have to perform, and all of them of good moral character and standing, would you consider the possession of the best relative acquirements, other things being equal, of most advantage in the candidate for the place?—I would certainly.

Q. That is *ceteris paribus*, you would consider him the best man for the place?—Yes; certainly.

Q. Who, in your opinion, should have the appointing of the employés of the House?—I would let the patronage rest with the Speaker; the Speaker is the House, and gives his directions to the clerk.

Q. Are young men appointed to the Service subjected to any test?—No; they are not.

Q. They do not come under the Civil Service Act?—No.

By Mr. Aylmer :—

Q. Yet some of them are very efficient?—Yes, very.

By the Chairman :—

Q. Would the system of probationary appointments work in your service?—Yes, undoubtedly it would.

By Mr. Aylmer :—

Q. If a man was appointed a sessional clerk, say this session, would he be again appointed next session?—Yes, if efficient, and the Service required the appointment.

Q. And they are re-engaged I suppose?—They may be re-engaged.

Q. Then you are not always allowed to re-engage those whom you have found to be most efficient?—Not always; political interest, the bane of efficiency, sometimes prevails to prevent it.

Q. In fact, in most cases, new men are brought in and appointed instead of

those who have been found to be efficient?—In some cases it is so. We try to get the best men we can.

Q. The experience of one who has been through the service of the House is valuable?—Of course it is; and a man will get this experience no where else, the duties are so peculiar.

By the Chairman :—

Q. As the saying is, a man will require a session to “know the ropes?”—Yes; and when they become efficient we are glad to get them back again.

Q. The prospect of a permanent sessional appointment would tend to increase the efficiency of the sessional employé, would it not?—Yes.

Q. I suppose the nature of your duties keeps you up late at night?—As regards myself it is so. The Journals have to be proved from my scroll record while fresh in my memory each night after the adjournment of the House, which takes from an hour to an hour and a-half; therefore, I am about the last one to leave the House.

FRIDAY, April 13th, 1877.

Committee met,—Mr. CASBY in the Chair.

Mr. JOHN LANGTON called and examined:

By the Chairman :—

Q. What is your official designation besides Auditor-General?—I am Auditor-General and Deputy-Minister.

Q. How long have you been in the Service?—Since the year 1855.

Q. And in your present position?—I came in as Auditor. We had two branches in the Service when I came in; now they are united.

Q. But you have only had your present name since Confederation?—I was then Inspector-General and Auditor-General; now these offices are united.

Q. Have you a large number of employés in your Department?—Yes; between thirty and forty.

Q. What is the nature of their work for the most part?—The work naturally divides itself into different branches. There is the Bookkeeping branch and the Auditing branch, and the Savings branch, which forms a separate and distinct branch altogether. Then we are obliged to adopt a different system for the outlying provinces from that which we have in Ontario and Quebec. In the latter provinces, when money is to be paid the order is issued and it is paid at once; but in the outlying provinces we have got to do it through our local offices; therefore there had to be a branch devoted to the outlying provinces. That makes up the several different branches of the office.

Q. What is about the average of your salaries?—The chief clerks get from \$2,000 to \$2,400. Of these, I think, four are of the first-class. Of the chief clerks of the second grade there is only one who is about to be promoted. The range of salaries in that grade is from \$1,800 to \$2,200. Then there are the other classes of clerks in their usual proportion; there are the senior seconds and the junior seconds, etc.

Q. Are there any what you might call mechanical kinds of work in your Department?—Hardly.

Q. Copying?—It is principally bookkeeping or auditing accounts.

Q. Then the clerks at the bottom of your office would require to be pretty fairly educated?—They ought.

Q. Are there no means taken to test the business capacity of candidates?—There is an examination before the person is appointed, but I have never taken part in them.

Q. With regard to persons appointed in your own Department, has the rule about passing that examination been pretty generally carried out?—Yes; I have one

or two exceptions in the case of men later on in life than the rest; these were put on without examination.

Q. But you have no departmental examination?—No.

Q. How far should a man be qualified when he enters your Department to make an efficient clerk? What do you think he should know?—My own feeling is that examinations should be made more thorough than they are at present, and that there should be a range of subjects. Many of the subjects might not be peculiarly applicable to a man's duties in his office, but a man of general intelligence and application would be able to turn the knowledge into use. These examinations should be more strict and efficient than they are. The candidate should be taken upon the general average upon all subjects, and there ought to be certain subjects which would be required particularly in the Department upon which he ought to be examined. For instance, in my Department a very thorough knowledge of bookkeeping is required; and then, I think, there might be optional subjects that may not be absolutely required, though if he has the qualifications he should be able to show them. Take languages, for instance; it is very desirable that the employé should know French. If the employé knows German, he should let it be known; some use might be made of him in that particular line. I would have examinations spread over a considerable range of subjects, and there should also be subjects which, if absolutely necessary, the candidate should show he has the knowledge of.

Q. I suppose nominations are made by political patronage?—The Minister states what man is to be appointed, and he is appointed.

Q. Have you as Deputy Minister any control over these appointments?—Occasionally we have been asked to bring in some extra clerk. We may have had him at intervals, and found that he was a good man, and that we should like to have him permanently, in which case I sometimes recommend him.

Q. Is your opinion merely advising?—That is all. But the case I have mentioned has occurred two or three times, and there are at present in my office two men I have had as extra clerks, both of whom have proved themselves as exceedingly good men, and I would strongly recommend them for permanent employment.

Q. Speaking generally, without mentioning particular instances, have you ever had men thrust upon you as employés, whom you knew to be inefficient?—I have.

Q. Have you found as a rule that the average of the class you get by this system of political patronage has given you the class of men you would have chosen had you been free to select for yourself; I am not speaking of the present men, but of the general run of the raw material that you get?—I consider that no young man should be appointed, except on probation for at least six months or a year, and at the end of that time, as a matter of course, his work could be seen. I have had a few cases in my office of mere lads, brought in as probationary clerks, and I have found they were not competent enough to be appointed permanently.

Q. Do you think if you had your own free choice of selection and rejection after trial that you could have got on the whole a better class?—I think so.

By Mr. Roscoe :—

Q. You mean the adoption of the English system, by which a clerk is on trial for a time, on the understanding that he leaves, unless he has a special appointment permanently?—Yes; that is in effect the spirit of the present Civil Service Act.

By the Chairman :—

Q. Taking the Civil Service Act as a whole, has it really been carried out about arrangements, promotions, appointments, &c.?—There have been some breaches of that Act. There have been promotions in excess of the provisions. The Act requires that a man should serve a certain length of time before being promoted. Sometimes he has been promoted as if he had been much longer in a class than he really has. There have been a great many breaches of the Civil Service Act in that respect.

Q. In your Department, have there been appointments to vacancies to higher ranks instead of promotions?—I think there has been an exception in the Receiver-General's office, inasmuch as there has been no breach of the Civil Service Act. There is no Department in which there have been so few breaches as in my office.

Q. As to bringing in outsiders, has it often occurred that they are brought in to positions above the rest of the employés?—There have been a good number of cases of that kind; but that is authorized.

Q. But has that been done in cases where promotion might have taken place?—I can only recollect one or two instances of a man being brought from the outside and put in the higher offices where some one else might have been promoted. There has not been much of that.

Q. Have you ever found it difficult or inexpedient to promote, on account of the class of raw material in the lower ranks from which promotions must be made—that the men eligible for promotion by seniority have not been able to fill the positions?—We have not had many chances of promotion, and they have been quite efficient men who were promoted.

Q. As a matter of opinion, do you think it injurious to the Service to bring in outsiders, if you have men already in the Service capable of filling the same positions?—That is a question on which there might be two sides. It is, no doubt, desirable, for the sake of attracting a good class of men into the Civil Service, that there should be promotion—that a young man who is capable, attentive, industrious and conducts himself well, should have a chance of rising. That ought decidedly to be the rule. But, on the other hand, there is no doubt that a Department might get into a sort of routine way of doing business, and there is much good occasionally in bringing in a little new blood to suggest new methods of doing things. I have seen several instances of the advantages of this in different Departments. Where the ordinary work has got into a sort of “humdrum” way of going on, the change by a man being brought in from the outside is sometimes astonishing. But these cases ought to be quite exceptional.

Q. And these should be in the higher offices—what you might call the staff?—Yes.

Q. In the ranks you think promotion should be the rule?—I think so. They should enter at the lower grades and rise up. Our present classification commences at the third-class clerks, small boys. In a Department like mine you don't appoint small boys. If you have boys they would not be efficient enough to raise and you would have to put in new men. But, as a general rule, if you have a man in the lower grade he should be promoted if he is fit, and not an outsider brought in. But if you find you have a special branch requiring a little experience, it may be advisable to make a new appointment. You want a man competent to go on with his work at once and not a mere lad. But, as a general rule, there should be promotions all through, except in special cases where it is desirable otherwise.

Q. These considerations arise from the nature of your classifications?—Yes.

Q. Could classifications be so arranged that men could go in at a fair age, so that they would be capable of promotion in a year or two if they applied themselves to their business?—In my departments it may not have been advisable to bring in one of the lads from the third-class, but as a rule new appointments have not been made to the third-class clerks, but to the junior second.

Q. Your third-class clerks really do not come in for promotion as a rule?—We have very few third-class clerks. At present there is only one in my office. We don't make original appointments to the third-class clerks, generally, but to the junior second. In our Department you don't want a mere lad, but a man with some knowledge.

Q. What are the regulations in regard to discipline in your department—as to the power of suspensions, dismissals, &c.?—I have the power to suspend. I consult with the Minister, if he is convenient; if not, I suspend without consulting him. If I thought it necessary to suspend a man during the absence of the Minister I would do it. But I have not the power of dismissal. Two or three men who have been suspended have been restored. In some cases where a man had been suspended I would, for his own sake, recommend him to resign if he is not wanted.

Q. You find it then very difficult to get rid of a man when once he is on the staff?—Very difficult.

Q. So that in case you had an inefficient man you would really find it very hard to relieve the service of him?—Yes.

Q. Have you ever actually been forced to continue inefficient men on account of this difficulty—that is of men you would rather get rid of?—Yes.

Q. Is an annual increase given in your department?—Yes.

Q. Is this given as a matter of course, or on your recommendation in every case?—Almost as a matter of course. The exception is where it is not given. There have been very few such exceptions.

Q. Is there any immediate reward open to a man for extra industry or ability in your Department?—Not until a vacancy occur in some of the higher ranks. If one of the men was a good one I would recommend that he fill the vacancy.

Q. Would it not be encouragement to the zeal of the employés if this annual increase were made dependent on a good report by the Head of the Department?—Strictly speaking it is so now. But as a matter of course a man knows that as a second-class clerk he may rise from \$700 to \$1,000, and that there he would stand until he was promoted. There should be a proper inducement held out to young men. It makes them more satisfied.

Q. Would it not be better to make it provisional upon the clerk's industry, &c.?—Yes; it is now in the option of the Minister to give it; but, as a general rule, it is given. It might be desirable that for special good qualities a man should be advanced in his class without being promoted to the next class. Say, a junior second-class clerk from \$400 or \$450 to \$900. That is what is done in a great number of Departments where the Civil Service Act is not strictly carried out. But we have adhered strictly to the law in our Department.

Q. Speaking again of promotion,—would it be possible to arrange progressive examinations in your Department so that they would be some test of a man's fitness for promotion from one grade to another?—I hardly think so in our Department.

Q. Are not the duties sufficiently different?—When you have a man under your supervision for three or four years you can thoroughly test him, and see whether he is worthy, more so than by an examination. Take book-keeping for instance. You can tell on some extra new job whether he has original ideas.

Q. I should not propose an examination as a decisive test; but are there no technical duties belonging to each grade which might be tested by some outside power?—No; you test a man's capacity, say in bookkeeping, by the way he keeps his books.

Q. Do examinations in book-keeping amount to much?—No.

The Chairman :—That is my opinion.

By Mr. Roscoe :—

Q. I should think that is one of the few things which you cannot test?—Yes. It is not only in bookkeeping that he should be proficient. A man might be a most thorough bookkeeper, but with very few ideas, and incapable of originating anything new.

By the Chairman :—

Q. Are you acquainted with the English system as at present arranged, the competitive system?—Yes.

Q. Would you give your opinion generally?—For a Department like mine I have not much faith in competitive examinations.

Q. When you say that, do you mean that it is likely to give you a worse class of men than you have at present?—No; I don't say that it would, if you introduce a more efficient system than you have, which I have already recommended. If a man has shown his capacity after being a year or so on probation, I think he should have the best chance.

Q. You said if there were two applicants for an office, the one who showed the most general information would be the one most likely to learn his work quickly?—Yes.

Q. Suppose you had a general examination which would show relative capacity,

would it not be advisable to take those who, other things being equal, showed that they had the largest amount of intelligence?—Yes; if he had a year of probation.

Q. I am speaking of the first appointment. You are going to take a number of men on probation: you want to get the men most likely to undergo this probation creditably; do you not think it right to suppose that, things being equal in other respects, the best educated man would be the most likely to pass his probation most creditably?—Certainly.

Q. So that if proper means are taken to test the character of applicants, you admit competitive examinations would be a very good means of getting the raw material, to be tested afterwards by probation?—My own suggestion as to the examinations being spread over a larger number of subjects is very much of the same idea. But then I don't think an applicant should have the position because he has the most marks, necessarily.

Q. You would not propose a hard and fast competition, but that the principle of competition be practically carried out by extensive examinations over a certain range of subjects?—Yes.

Q. But although he passes the examination, if the choice is to rest upon the Minister, is not the door still open for political favouritism?—Do you think to get rid of it or personal favouritism.

The Chairman:—I think it is as in England, where the Minister has nothing to do with the appointment.

The Witness:—In England the classes are more divided than they are here. In England there are young men who would be quite willing to take an appointment without any great expectation of ever rising above it, however minor it might be. Here young men don't care to enter a minor position where there is not almost a certainty of getting something better. We have not the first-class here.

Q. I understand you to say that difficulty was experienced in removing inefficient men and replacing them by better; I suppose this arises from political connections. You find it very difficult to "drop" a man?—Nobody ever is "dropped;" the Civil Service must be different to what a private business is; unless a man is drunk or something else of the kind, you have no means of getting rid of him.

Q. But suppose men came in on the ground of having passed a certain standard of examination merely, simply on account of qualifications they possessed or professed to possess; do you not think it would be easier then to remove them if they were found not to be suitable?—If a man has passed a competitive examination you cannot turn round and say that you don't want him.

Q. But you can say, that if after six months' trial you don't suit practically, you cannot be permanently appointed?—I am afraid you would have a difficulty in carrying that out.

Q. Do you think the Service in your Department is sufficiently attractive to obtain the services of the best men—such men as you would wish to get?—I hardly think it is; the prospects in the Civil Service at present are not very bright. Promotion is very slow in the Post Office. I should not like to put one of my sons into the Civil Service if I could put him into a profession or anything else.

Q. Do you think a young man has as good a chance in the Civil Service as in a bank?—Young men in the banks complain that promotion is very slow; but I think there are more prizes in a bank than in the Civil Service.

Q. You think that an increase in the chance of promotion is even more important than an increase in the salaries?—I think it would; I think the salaries would require revision; but the prospect of promotion is the grand thing for getting good men. Supposing there are 60 men in a Department; there are only five or six decent situations to look forward to.

Q. In the outside service?—They can be appointed over the offices at Halifax, Montreal, Toronto, St. John, &c., and in the savings banks, &c., as Receivers-General.

Q. Are these appointed by the Minister through his personal knowledge of the appointed, or by the recommendation of the people in the locality?—They are appointed by the Minister.

Q. Is there any promotion, or do they generally remain where they are put?—The Receiver-General is at the top of the tree. There can be promotion among the juniors; but it cannot be very high.

Q. You don't generally remove these Savings bank managers from one place to another?—These positions are altogether apart. It is only a small affair given to Custom House officers and Postmasters. The salary is only from \$200 to \$300 a year.

SATURDAY, 14th APRIL, 1877.

Committee met.—Mr. CASEY in the Chair.

Mr. J. C. TAORÉ, Deputy of the Minister of Agriculture, called and examined:

By the Chairman:—

Q. How long have you been in the Service?—Over seventeen years, nearly eighteen.

Q. How long in your present position?—About thirteen years in the present position.

Q. Your Department is divided into two branches, is it not?—There are several branches, although not apportioned under the masterships of exclusively responsible Directors, some of these branches are separately kept; but clerks are made to work in various branches according to the pressure of business.

Q. Which is the most important branch?—The most important branch, in extent and in amount of business transacted, is the Patent branch.

Q. There is not a special head of Imm'gration?—No; there is not, Mr. Lowe, the secretary of the Department takes, however, a special charge of that branch.

Q. It is under your responsibility?—Yes; so far as carrying out the orders given to me by the Minister; but orders are also given directly to the secretary.

Q. What about statistics?—There have been four clerks employed at statistics, who occasionally also give their Services to other branches of the Department; especially in making searches and preparing memoranda of various kinds, which are often times requested from our Department. They have again given assistance in the census labours, and have been the workers of the retrospective statistics which are annexed to the First Census Report of Canada, and from the whole of the fourth and part of the fifth volume of the said work.

Q. Are there any other statistics taken, besides those already referred to?—There are labours on criminal statistics and insolvency presently going on in pursuance of Acts of Parliament.

Q. Is the Census work finished now?—The Census work, restrictedly so-called, was terminated long ago,—what has been going on, since, is the completion and tabulation of statistical operations which are the complement of the first Census of the Dominion, embodying the numerical information and vital statistics such as have been found in a vast number of manuscripts, archives and registers and in printed documents. The whole, for print, worked into a compact form, for comparative study and for reference at all times to come.

Q. How many clerks are employed in the Department?—The personnel of the Department is composed of 25 permanent and of 10 non-permanent employes, all told; there are besides 8 temporary employes, connected with the statistical operations, complementary to the Census.

Q. How are these employes graded?—They are classified in accordance with the Civil Service Act.

Q. Do you always make appointments to the lowest of these classes?—The appointments have been made in different classes, some in the lowest, some in the highest grades.

Q. Are appointments frequently made from the lower to the higher classes?—Promotions in the Department have not been frequently made, and none, at a jump,

from the lower to a high class. The higher classes, as a rule, have been filled by appointment rather than by promotions.

Q. It follows from this that promotion is not very rapid in the Department?—It has been very slow, indeed.

Q. Do you think that this is a discouragement to the clerks?—Of course, it is necessarily so, especially to the most deserving.

Q. Are promotions and appointments made on your recommendation?—No; I have not been consulted on promotions. As regards appointments, since Confederation, I have contributed only to two nominations of third-class clerks, and been consulted on a third one of the same class.

Q. Promotions have been at the will of the Minister, then?—Necessarily the Minister is the authority in the matter.

Q. Do you suppose that political influence has had anything to do with making promotions?—Having not been made acquainted with the motives, I cannot venture to express an opinion, and I only mean to state facts in this respect.

Q. What is the nature of the work in the Department generally; is it technical?—There is work of both kinds, mechanical and technical. A good deal of the questions arising, and of the decisions to be given, are of the intellectual and technical kinds. The branches of patents, trade marks, copyrights, quarantine, statistics and others involves studies, searches and training of experience and discriminating practice.

Q. Have you any position requiring technical knowledge?—Yes; as I have already said, the office, as a whole, must be possessed of a fair amount of technical knowledge—specially of such as is the result of experience acquired in the practical contact with the subjects, either acquired beforehand or obtained in the Department.

Q. Have you ever had men appointed to positions requiring technical knowledge without test as to their qualifications?—I am not aware of any other test having been applied in the matter of appointments in the Department, than what was known of the appointee and of his previous life.

Q. Did you find that they were efficient?—Yes; the Department has been fortunate in this respect—the clerks, as a whole, are efficient.

Q. But after some time?—Yes; I do not expect that any one coming into the Department could be thoroughly efficient except after some time.

Q. Are you satisfied with the work as done in your Department?—Yes; our work is well done. Perfection, of course, cannot be expected under any circumstances, and all clerks are not of the same value; but our staff is efficient.

Q. You have had a class of good employes all along?—Our employes, as a whole, are good. We have had very unsatisfactory cases, which the Department has got rid of.

Q. Then it has been by good luck, I suppose?—I would not say that. I suppose the Ministers have taken pains to enquire into the general qualifications of the persons before appointing them. Reasonable discipline and kindness united with firmness, goes a great way in breaking employes into their work.

Q. What you require then is intelligence and good education?—I care a vast deal more for intelligence, associated with steadiness of disposition, than for the amount of instruction possessed at the time of appointment, for clerks entering the lower grades of the service.

Q. Then you do not care for a high standard of learning in candidates for appointment?—Not for the generality of clerks. Some of the best clerks have entered the service mere boys, issuing from elementary schools, in fact knowing nothing else than how to read and write. It is not what the clerk who is to be permanently attached to the Service, knows at the time of his appointment which is the essential, but what he is capable of learning about his work and what are his aptitudes for an office life.

Q. Supposing that several candidates were before you for appointment, all possessing qualifications for the work and all of good character, would you not suppose that the man who showed most education would be best suited for the work?

—No; I would not. I think it is a mistake to suppose that the young man who has had the most grammar and ready made geography and arithmetic ground into his head must be the most fitted for any situation.

Q. Then you suppose that educational acquirements have little or no value in a candidate for appointment?—The amount of educational acquirements possessed by a young man at a given moment, is, in my opinion, no criterion of his capabilities and his aptitude.

Q. Then you are not in favour of competitive examinations?—Decidedly not.

Q. Are you in favour of probation, that is taking candidates on trial?—Yes; I believe it is the only sure way to judge of the aptitude of a man for any work; I mean a probation of sufficient duration to bring out qualifications of the kind wanted.

Q. Supposing you had ten candidates to choose from, how would you be guided in your choice?—I would have to choose one under such circumstances, if not previously acquainted with them by the intelligence and understanding shown. I would have, I might say, in such a case, to select one by his looks.

Q. By his looks? but you would only take him on trial, I suppose?—Certainly. This I always take for granted, and if not found apt after trial, then his services should be dispensed with.

Q. You consider probation necessary then?—Decidedly so; I mean for young clerks. I suppose that those who are appointed at a mature age have had their probationary stage gone through in the practice of outside life and are selected for being well known as men of general capacity and of moral standing.

Q. But that is a probation of which neither the Minister nor the Deputy Head of the Department can know anything?—Oh, yes; a man who has made his mark in the world, who has won an honourable reputation, can certainly claim that as a fair probation of his value; the test of which can easily be ascertained.

Q. Do you find that when you once get a man on the staff it becomes a difficult matter to get rid of him should it be necessary to do so?—Yes, it is a matter of fact that it is so; this difficulty, however, is independent of the system or mode under which the appointments are made. I think it is less necessarily incident on probation than on competitive examination.

Q. You have to take a man as you get him and do the best you can with him?—I have to take the clerks as they are given to me; I have no choice in the matter.

Q. Have you had to recommend any dismissals?—I have had to recommend two *quasi*-dismissals, or forced retirements.

Q. Did you find your recommendation acted upon?—Yes.

Q. You have no power of acting by yourself in such cases?—No; the only power given to me is to suspend in the absence of the Minister.

Q. Speaking of probation, do you not consider that the best probation for the higher ranks in the service of the Department is training in the lower?—Not always, for the higher ranks, such as deputies, for instance. As a general rule, however, promotion should be the means of filling the vacancies in the various classes of clerks.

Q. As a general thing then you would promote from the lower to the higher grades?—As a general thing, yes; but I hold that in some grades it is advantageous, and at times necessary, to bring men from the outside. The service in the long run has its advantages and offers the best opportunities of acquiring experience in what constitutes a good and steady routine, which insures the efficiency of the Service; but it has also its disadvantages and it becomes sometimes necessary to infuse new blood by bringing in the higher grades men who have gone through the struggles of life, and who, single-handed, have passed with distinction through the difficulties of varied and laborious occupations of the outside world.

Q. At present is there no fixed age at which candidates may enter the Departments?—There are certain ages prescribed by law; but as a matter of fact such provisions are of no great avail.

Q. The rule laid down by the law is not observed then?—The practice makes it oftentimes unobserved.

Q. Do you not think this should be done?—I do not think that extremely stringent and elaborate provisions and iron rules could ever be strictly maintained.

Q. Is the work individualized; that is, is there only one clerk in each particular branch who understands the work of that branch, and would it be possible to separate the various labour—say, for instance, to make the mechanical work distinct from the rest?—There are clerks appointed to each branch of the Department; but I try, as much as I can, to gradually bring the clerks to be acquainted with the various subjects with which we have to deal, and I take special care that more than one clerk should be competent to undertake the work of any branch. We have to provide that no class of work shall suffer through the absence or retirement of any of the clerks. The Department is kept up as a whole, and I consider that it would be a great disadvantage and risk to run, to so individualize the work as to render it a matter of necessity that each part should be done by one man to the exclusion of all others. In the practice of the Department we often get very good hints from clerks not actually in charge of the matter, but who have been allowed and made to acquaint themselves with the various parts of the Departmental administration.

Q. It has been said that the junior clerks in all the Departments might be put together to form one class for purposes of promotion, so that they might be promoted from one department to another till such positions are reached in which work would have become individualized. Do you think that the work in your Department is so different as to interfere with the carrying out of this idea?—I think that such a system would be very detrimental to the good working of Departments, besides opening the door to medley. The matters entrusted to each Department are sufficient to occupy the mind and attention of clerks. These matters they can only acquaint themselves with by degrees. The mere copying of documents is in itself an initiation into the subject matter thereof. It is in copying patent papers and statistical papers, for instance, that one young clerk begins to acquire notions about patents, and statistics, and so forth, and gradually becomes familiar with the intricacies of questions.

Q. Have you had many superannuations in your Department?—We have had two superannuations, one on account of physical incapacitation, the other was one of the two *quasi*-dismissals I have spoken of.

Q. Is an increase of salary given to all clerks in the inside service, and is it given on your recommendation?—There are clerks that have never had any increase made to their salary. Increases are not given every year to all clerks. When a certain maximum has been reached in one class, then, properly speaking, increase means promotion. The increases have not been given on my recommendation, I have not been consulted on that matter.

Q. Then the increase of salary does not go by good conduct?—Good conduct has not in every case secured it to the clerks, but they run the risk of losing it by bad conduct.

Q. Do you think it would be better to make promotions depend on merit?—Most decidedly: It would be the continuation of the system of probation, which, I think, is the only one capable of securing the greatest possible efficiency; defects and drawbacks there are and will be, whatever means and systems are adopted.

Q. The English system some years ago was that unless an employee taken on probation was recommended by his immediate superiors at the end of a certain time he could not be retained in the Service. Would you approve of that system?—I would undoubtedly recommend that any clerk taken on probation should not be retained in the service after the end of his probation if he is really proved to be unfit for it; but I would make it a matter of qualified decision, but not of a *de facto* lapsing by non action taken.

Q. Tell us about the outside services of the Department?—The permanent outside service of the Department belong to statistics, quarantines and immigration. The statistical outside service has four employees. The quarantine service has about 36 employees all told, and the immigration service 25. There are besides travelling immigrant agents now numbering 13. The branches of art, agriculture and statistics

are casually adding temporary employees to the outside service, such as for instance the census labours and the occasional necessity of guarding the country against the introduction of epizootics.

Q. Are the men graded in the outside service as in the inside service?—No; the officers, such as the medical superintendents of quarantines and the immigration agents in charge of agencies, are special in their functions. In the quarantine stations the employees, besides the medical officers, are hospital stamants, orderlies, nurses and boatmen.

(Signed) J. C. TACHÉ

Col. the Hon. EUGENE CHARLES PANET, Deputy Minister of Militia and Defence called and examined :

By the Chairman :—

Q. How long have you been in the position you now occupy?—I have not been very long in my present position; this is my second year.

Q. You have been thoroughly acquainted with the service in the Militia Department?—Yes.

Q. About how many employees have you in your Department?—The Department consists in the Minister, his Deputy, the Major-General, his aide-de-camp, the Adjutant-General, twenty-two clerks, of which three are chief clerks, six are first-class clerks, four are senior second-class, eight are junior second-class, and one is a third-class clerk, and four messengers. These are divided between the Minister's office, where there are three clerks, the Account Branch, employing five clerks, the Store Branch five clerks, and the Adjutant-General's Office nine.

Q. Have you any outside employees in the Militia Department?—Yes; we have a good many, but they generally come in under the staff for the different districts. Then we have the Major-General and his staff.

Q. But these are not civil servants?—No; these are all military officers. Besides these we have a number of care-takers and store-keepers. We have ten store-keepers in the different military districts.

Q. You get these men, I suppose, in the usual way, on the nomination of the Minister?—The storekeepers are named by Orders in Council; the caretakers are named by the Minister.

Q. You have no personal voice in their appointment?—No.

Q. Are they submitted to any examination?—Not that I am aware of.

Q. Have you had many promotions?—There have not been many promotions in my time.

Q. Have appointments been made of which you had no previous knowledge?—Yes. I have found men coming in without knowing anything at all of their appointment.

Q. I suppose your power is, as in the case of other Deputy Heads, merely to suspend?—That is all.

Q. You have had no trouble in enforcing discipline?—No; none whatever.

Q. Do promotions follow any regular rule, or are they made entirely at the option of the Minister?—Promotions do not follow a regular rule, and are made by Order in Council. Promotion is the all-important matter to the clerk. The rule is supposed to exist, and clerks are supposed to be eligible for promotion when the time comes; but the clause in the Act is permissive only, and hence it is that clerks do not always feel secure. Those who can command political influence, or influence of some kind, of course, make use of it. I believe that is the main lever employed in many cases in order to secure promotion. There are several clerks who have taken no means of obtaining this influence who are now at the maximum salary of their class, and they cannot get promotion without an Order in Council.

Q. Which cannot be got without influence?—Well, that I am not to say.

Q. What would you consider an improvement over the present system?—Any system that would be clear of political influence would be the best.

Q. To what result does the present system tend?—I think it is discouraging in some cases.

Q. Does it tend to the demoralization of the Service?—I think it would have that effect if continued too long.

Q. Do you think it would be possible to get rid of political influence?—I think that it would not be possible to get rid entirely of political influence.

Q. If you had the choice of candidates and the right of promotion yourself, would that give you better men?—Well, I can't complain. I think I have as good a set of employes as could be had to do the work required.

Q. But if you had the choice yourself, do you think that in a number of years it would make a difference?—Well, I have so good a set of employes that I think I could not get a better staff to do the work required. If the choice was left with the Deputy, the case might be altered either way, according to the influence that might be brought to bear.

Q. Do you think that a system of probation would be better?—Well, I think it would be a good arrangement.

Q. Such a system as would permit of dismissal after a year's trial?—Yes.

Q. No matter how appointed, provided they might be dismissed within one year?—I think so. We have had many clerks in the office at the same salary. There is one who has been for years receiving a salary of a thousand dollars; he now gets fourteen hundred, the maximum he can receive. There are four now drawing the maximum, and it would require an Order in Council to get them an increase.

Q. Is this increase for good conduct, or does it come as a matter of course?—It comes as a matter of course; but only on the recommendation of the Minister, good conduct, of course, being indispensable.

Q. Do you consider the salaries paid in the Civil Service sufficient to attract a good class of men?—Not some of the salaries in the lower grades.

Q. In order to increase the efficiency of the Service, do you think salaries should be increased?—The lower classes are very low.

Q. What is the minimum?—The minimum is six hundred dollars a year.

Q. Do employes always commence with the minimum salary?—No; I have a man who is receiving a thousand dollars and he has been receiving the same salary ever since he was appointed.

Q. Do you think it a good system, that of appointing clerks at high salaries?—No; I think not.

Q. Do you think it would be a good plan to offer the prospect of promotion to young men entering the service?—Yes; I think it would; but I think the salaries at which you appoint young men are very low—six hundred dollars is a very low salary for a good clerk.

Q. Still, you say you get a good class of young men. The banks get a very good class of young men at \$250, with prospect of promotion of course?—Well, if you hold out the prospect of promotion it is different; and a great deal will depend on the confidence the employé will have that promotion will be carried out.

Q. Do you think it would be an improvement to make these appointments dependent on a Board outside the Civil Service?—That would depend how your Board would be constituted. It would be difficult to get anything but a political Board from outside.

Q. Suppose the Board were composed of men from both sides as in England?—The examinations would have to be carried on then as in the universities. Examination papers should be given out and the answers sent in, the parties not knowing who they were examining. That is the examination should be carried on by means of sealed papers.

Q. You think it would be a good way?—I think so.

Q. Do you think that, of several candidates for appointment, it would be

preferable to appoint those showing superior educational standing, if quite equal in other respects, and that a competitive examination is a fair system of choosing?—I think so.

Q. And that it could be worked?—I believe it could be worked and depended upon to a certain degree.

Q. Would you have promotion go by seniority, other merits being equal?—Yes; but you would have to make exceptions sometimes. I think that special qualifications showing themselves would constitute an exception; and there would be a right to promote a junior.

Q. Have you any suggestions of your own to offer?—I have not been in the Department long enough, and I am aware that parties have been examined before this Committee who have more experience than I have.

By Mr. Aylmer:—

Q. How are the storekeepers appointed?—The store-keepers are named by Order in Council, like the others.

Q. What class of men are these storekeepers?—They are a very good class; some are professional men.

Q. They do not require to be a good class of people, do they?—Oh, yes; they require to be a good class of people, as they have valuable property in their keeping.

Q. What salaries do they receive?—From five to six hundred dollars.

Q. What are their duties?—They have to look after a good deal of property. They are intrusted with the keeping of the militia stores of all kinds. In Quebec, for instance, we have an officer who, in addition to his regular duties, has to look after the military property in Quebec and Point Levis. He gets an extra hundred dollars for that. In Kingston the storekeeper has also to look after military property.

Q. How many of these storekeepers have you?—We have nine or ten. We have one in London, Toronto, Montreal, Kingston, Quebec, Halifax, St. John, Hamilton, Victoria, and Charlottetown, Prince Edward Island.

Q. How much stores has the man in Charlottetown to look after?—He has to take charge of all military stores, such as shot and shell, small arm ammunition, clothing, &c., required for the artillery and infantry on the island. Major Cropley, who is storekeeper there, gets four hundred dollars per annum.

The Storekeepers are:—

Captain Starr, at London.
 Captain Burt, at Toronto.
 Major King, at Kingston.
 Major Pope, at Montreal.
 Major Lampson, at Quebec.
 Lieut.-Colonel Evan, at St. John.
 Major Guy, at Halifax.
 Lieut.-Colonel Peebles, Fort Garry.
 Captain McDonell, Victoria, B.C.
 Major Cropley, at Charlottetown.

Q. Are all these paymasters as well?—No; paymasters are a separate class of officers.

Q. Storekeepers, I suppose, would not be included in the Civil Service?—Yes, they are appointed by Order in Council.

Q. They are appointed on recommendation?—Yes; on the recommendation of the Minister of Militia.

Q. Their salaries would not be a prize to anybody, I suppose?—No, they only get from five to six hundred dollars per annum.

Q. What do paymasters get?—Paymasters get six hundred dollars per annum.

Q. Are they appointed by Order in Council?—Yes.

Q. They have a great deal of money in their hands?—Yes.

Q. Do they give security?—Yes; from five to ten thousand dollars.

Q. I have known them to have sixty thousand dollars in their hands?—Yes. They do not receive a very high salary.

Q. Are they appointed after examination?—No.

Q. As a rule they are good men?—Yes; we have all good men; they are recommended, and as they require special qualification, inferior men would scarcely apply for the position.

Q. Still, all those appointments could come under the same system. Do you not think the Deputy Head should be consulted?—Yes; paymasters have a great deal of responsibility. They are appointed by Order in Council; and sometimes they are taken from the officers who have done some service in the force, and they consider they have a right to promotion there. We have a very good set of officers.

By Mr. Roscoe:—

Q. The Brigade Majors and other officers are promoted by seniority?—Yes; in all military appointments of course seniority has its rights; and unless a man is disqualified he has a right to promotion when there is a vacancy.

Q. How are the adjutants appointed?—By adjutants—I suppose you mean the Deputy Adjutants General in the different districts. These are appointed also by Order in Council, and generally on the recommendation made to the Minister by the Major General.

Q. Has Gen. Smyth power to prevent the appointment of men whom he considers unfit?—He would report against the appointment.

By Mr. Aylmer:—

Q. The Minister of Militia would not put in a man who is not recommended or who is unfit?—No; but it might happen that a man whom the General has recommended would not be appointed.

By Mr. Roscoe:—

Q. Are these Brigade Majors appointed for life?—Many are appointed during pleasure.

Notes on Civil Service Reform by Wm. D. LeSueur.

It may be well first to enquire what are the evils to which the Civil Service is subject in the nature of things; secondly to what extent those evils have made themselves felt; thirdly, how they may best be remedied.

1st. The first great evil to which the Civil Service of almost any country is subject, or would be but for restraining influences, is being administered not in the interest of the community at large but in that of a favoured class. It is unnecessary to do more than merely refer to the fact that in past times the civil list in various countries has been mainly a means of rewarding court or party favourites, and that it has not been supposed in the least necessary that persons drawing money from the public purse should render any service in return. Different views now prevail almost universally, and the age of sinecures may be said to be nearly past, but the old evil is still represented by the tendency to overcrowd the Public Service. In Canada men are not appointed with absolutely nothing to do, but they are still sometimes appointed when they are not required, and when therefore the result of their appointment is to subdivide work which cannot well stand subdivision, the direct effect of this is to promote idleness and disorder, and to lower the moral authority of the heads of the Departments. It stands in the way also of satisfactory organization, for it is almost harder to know what to do with too many clerks than how to manage with too few.

The evils of overcrowding make themselves felt whether the persons appointed are competent or not; but there is at times a temptation to appoint incompetent persons. These, of course, are a serious embarrassment in any office. It is not often that a thoroughly and hopelessly incompetent person is appointed, but the thing happens sometimes, and then the question is what to do with him. He is tried at

several duties and fails in all. If a Department has to keep such a person on its pay-list, the best thing to do would be to give him unlimited leave of absence. This is an unusual case, but it not unfrequently happens that men are appointed who are very poorly qualified for the duties of a public office, and from whom therefore no really satisfactory work can be got. Every Department, I imagine, in the public service has its own share of these.

Next comes the coil of interference with the regular and legal order of promotions in the Service, and the carrying off of the only prizes the Service holds out by political partizans. It has been, with a view to meet this evil, that the rule of promotion by seniority has been established, the supposition being that if promotion by merit were freely conceded it would be abused for political purposes. In the Department with which I am connected, the last three Inspectorships created have been awarded to outsiders, and other offices of less importance, but still which would have been regarded by many men in the service as very desirable positions, have been similarly disposed of. The pretension has been in some cases at least that there were no men in the service capable of filling these offices, but, so far as I can judge, the pretension was not well founded.

On the other hand the rule of promotion by seniority which, as I have remarked, was and is intended to exclude political influence, has itself become a fetter of a very burdensome kind. A clerk who, in point of ability and application, shoots far ahead of the majority of his colleagues, finds his natural aspirations for improvement of position checked and frustrated by a cast-iron rule. He becomes discouraged and, if any other career is open to him, resigns. The Department has in this way lost the services of some of its best men.

The above are the chief evils that attack the public service from the outside; those that affect it from the inside are such as spring from the weaknesses of its administrators. Though speaking only as a clerk I may take it for granted that the heads of the Departments are not exempt from human infirmities; perhaps I might even venture to say that they do not claim to be. Upon them depend, in a large degree, the organization, discipline and tone of the Departments over which they preside. I say in a large measure because the external influences above referred to affect all these in a certain degree. The superior administrator will show his superiority in the results he accomplishes in the face of these influences, or by the extent to which he succeeds in keeping them in check. In every Department *vis inertiae* counts for something; in some it counts for more than in others. By *vis inertiae* I mean, of course, the spirit of routine, which, in some men, overpowers all sense of the necessity of progressive changes, and causes them to prefer an old and inefficient machinery to anything new that can be suggested. The evils which may spring from this source are by no means unimportant. No ill-organized Department, and no Department which does not progressively adapt itself to the increasing range of its duties and functions can be in a healthy condition, or yield satisfactory results to the public.

The order of subjects which I adopted at the outset would require me next to speak of the extent to which the evils described exist in the public service of Canada. Some of the remarks, however, which I have already made indicate partially my views on the point, and I do not think, upon the whole, considering my position in the Service, that I am called upon to say more.

On reconsideration, I think it not out of place that I should express my opinion as to the present average of ability in the public service, or more strictly speaking, in that branch of it with which I am personally acquainted. My opinion briefly is that the average is higher than might be expected under the present system of making appointments, and that if proper pains were taken to train men and to educate their sense of responsibility, there would be no occasion whatever, taking the service just as it is, to go outside for suitable successors to the present occupants of staff appointments. One head of a branch who has taken great pains with his subordinates in teaching them their duty and training them to habits of punctuality and exactness has told me that he has no fault to find with the present system of

making appointments. His opinion on the latter point would not probably be generally concurred in, but the fact that he is able to accomplish such satisfactory results under the present system is deserving of all attention. I have myself had considerable experience in the supervision and training of juniors, and I must say that some of them have been possessed of excellent abilities and have needed only a vigorous discipline and reasonable prospects of promotion to render them highly capable officers.

The next question is how these evils, supposing them to exist to a greater or less extent, can be most successfully counteracted.

1. The evil of over-crowding.—The remedy for this lies immediately with the political heads of Departments and with Parliament. My impression is, however, that a distinct and emphatic statement by a Deputy Head that the staff of the Department was complete, and that any further appointments would be entirely superfluous, would supply a check which few Ministers would disregard. Then the provisions of the law regarding temporary appointments ought to be strictly enforced. Those who are familiar with the internal working of the Departments know what an advantage it is to have no superfluous men—how much more smoothly all the work goes on.

2. The remedy for incompetency would seem to lie in a reasonable system of at least *qualifying* examinations. These examinations should be framed to test capacity and mental resource more than mere knowledge; for if a young man enters the public service possessed of good natural abilities but somewhat deficient in knowledge he can repair the latter fault afterwards; but if he slips in on the strength of his knowledge without being possessed of adequate ability, he will make but little if any progress afterwards and will likely always be a drag on the Service. I have known a man enter the Service whose hand-writing was altogether below par, whose spelling was imperfect, his composition more so, and his general knowledge of men and things almost *nil*, and I have known him, by dint of industry and application and the use of a good natural intelligence, make himself one of the most efficient clerks in the branch to which he was attached. What he did not know he set himself at once to learn, and was always eager for opportunities of extending his knowledge. I do not cite this case as showing that examinations to test education are of no value. Far from it; my only object is to show that education is not the most important thing that a man can bring to the public service; the most important thing is vigour of mind. I hold at the same time that no man should be allowed to enter the public service who has not had a good elementary education. The man who can learn after he enters the public service can also learn *before*, and there is no reason why he should not. It is not right or fitting that anything like school education should be going on during office hours. I have heard the head of a branch state that he had been obliged to be in a great measure a schoolmaster to some of the clerks who were sent to him. This, which of course involves waste of time, might be obviated by a strict preliminary examination. Competitive examinations would tend still further to raise the standard of ability in the Service; but the question arises whether the standard of ability being raised, the present scale of salaries would be found sufficient. That, however, is not a question for discussion at present.

The question of organization is a more important one even than that as to the best method of making appointments. The important points in organization are:

1. A proper division of the work according to its nature.
2. A proper distribution of it amongst the staff.
3. The enforcement of a graduated responsibility.
4. Some distinct provision for training, under which head would be included arrangements for testing, by some form of examination, the proficiency of employees.

On the subject of distribution of work, I may remark that it is a very undesirable thing for a junior clerk to be assigned work of a more important or confidential kind than that performed by some of his seniors. This sometimes happens, and it always creates dissatisfaction. The junior clerk not receiving any special compensation for the higher quality of work he does feels that his claims have not been fairly met,

while the seniors feel that the placing of more important work than theirs in the hands of juniors is a kind of reflection on their capacity. My opinion is that work should be graded according to its character, and set down as 1st class, senior 2nd, junior 2nd, &c., as the case may be, and that an effort should be made to keep each class of work in the hands of the proper grade. The English system of "duty pay" would, I think, be found very serviceable.

This system will be found described in the Report of the English Civil Service Commission of 1875.

In a service where two languages are used, it is obviously unfair that a man who brings to the Service a knowledge of both, and whose knowledge of both is made use of by the Department in which he serves, should derive no advantage whatever from the fact. Such, however, is the fact. In the Department in which I serve a man who knows both French and English is made to do work requiring a knowledge of both those languages, and to do it even for his seniors. A senior clerk may send in to a junior clerk that portion of his work which requires a knowledge of a second language, and the junior gets nothing at all in the way of pay or promotion for this special qualification.

As regards the evil of political interference with promotions, there is little doubt that it could be largely met by some of the provisions that have been adopted in England. When an appointment is made from outside the Service the Deputy Head of the Department should state distinctly in a return to be laid before Parliament that, to the best of his judgment, there was no person in the Department competent to fill it, or suitable generally for the appointment; and if the office is not a staff appointment the chief clerk under whom the appointment is made should state whether or not he concurs in the opinion.

I regret that it is not in my power at present, for want of time, to go more particularly into the subject of examinations. The above, however, is the substance of what I think it most important to say.

25 *Vict.*, Chap. 160, *Victoria, Australia*, 1862.

I have recently had the Civil Service Act of Victoria brought before my notice. Many of its provisions indicate that great care and ability has been brought to bear upon it.

By this Act the Civil Service is made to consist of two main divisions, viz:—The professional and the ordinary. The former including all offices requiring the exercise of skill usually acquired only in some other profession or pursuit, and to consist of such number of classes in each Department as may be approved by Order in Council. The latter to include all other than the above and to consist of five classes. The maximum and minimum rate of salary payable to each class is fixed by Order in Council in accordance with a general classification, and provision is made that such maximum and minimum may be increased and reduced by message to the Legislative Assembly before transmission of the message accompanying the estimates. An increment of one-sixth of the difference between the maximum and minimum of each class may be added each year as a matter of course, except in case of misbehaviour. The first-class in both ordinary and professional divisions is left open as to salary giving great elasticity to the Act. Appointments are made after examination for three months and appointee may be dismissed at any time, if not practically suitable, prior to the completion of such probationary term. On a written recommendation of the first officer the appointment may be made absolute. The examinations are not competitive, however. Promotions are to be made from the order next below in the ordinary division; but in the professional division, if there are in the lower ranks none competent to fill such vacancies, parties may be brought in from without the Service, with or without examination. In such case a statement must be published in the *Gazette* within one week of such appointment, setting forth the reasons for such selection. A further provision renders it necessary for each Department to furnish a report to Governor in Council once in each year, as to the conduct

and efficiency of its employés. This Act contains a provision also which, if adopted here, would put a summary stop to minor irregularities. The first officer is authorized to impose a fine of £5, to be stopped from the salary of the offending officer; he may also withhold his annual leave of absence for similar causes. For graver breaches of regulations the Governor in Council may reduce officer to lower rank or reduce salaries in the rank already attained. On reduction of staff, officers are entitled to one month's salary for each year's service, and a provision is made for superannuation out of Consolidated Fund. A schedule accompanying Act designates the office deemed professional.

The Public Service.

Some years since, I drew up a tabular statement showing the rates of pay drawn by the several grades of officers employed in the public service of the several colonies possessing representative Government; and whilst doing so, I discovered that in one Colony (Victoria) a Civil Service Act was in existence. This Act has been recalled to my mind in connection with the enquiry now on foot respecting the Canadian Civil Service, and I trust it will not be out of place to draw the attention of the Committee of the House of Commons to the Act, and to make some remarks thereon.

The Act is intitled "An Act to regulate the Civil Service." It is numbered "160 of 1862," and the volume containing the Act is in the Library.

I have consulted the several volumes of the Victoria Statutes since 1862, so far as the Library affords the means, and as up to the latest date, 1874, no amending Act has become law, I presume the Bill, with one modification, which I shall notice presently, stands in its original integrity. The Bill bears evidence of having been very carefully drawn up and well considered, each clause having evidently been carefully sifted by the Committees of each House. I find in the tabular statement prefixed to the volume of the Votes and Proceedings of that Session (1862), that almost immediately after its commencement the Government introduced a Civil Service Act, which went to the second reading, and was dropped. Another Act (the one now in question) was at once introduced; was passed, after much discussion in the Assembly, sent to the Legislative Council, returned with some 30 amendments to the Lower House, and, finally, became law.

The Act divides the Public Service into two divisions, the "ordinary" and the "professional," defining each division; the ordinary division consisting of five classes. The Act does not fix the limits of pay, which is left to be decided by the condition of the country, and is arranged in the estimates of the year: it simply says that, except in the highest grades, there shall be a maximum and a minimum limit of salary for each class; and it is to this elasticity that, I imagine, the Act owes its vitality. I should state that increases appear to be made to the yearly salaries by adding to each a sixth part of the difference between the limits of the salary of the class, for instance, a junior is appointed to the fifth grade at £80 stg.;—presuming the maximum of the fifth grade to be £200 stg., the second years' salary would be £80 + $\frac{200-80}{6}$ or £80 + £20 = £100. A clause at the end of the 72nd Section is very deserving of notice, "in every inferior class the maximum limit of salary shall be less than the minimum limit of salary in the class next above such inferior class." One of the greatest troubles in working the Civil Service Act in Canada is occasioned by the overlapping limits of the Senior 2nd and 1st-class clerks; the one running from \$1,100 to \$1,400, the other from \$1,200 to \$1,800. The Act, Sec. xi, further directs that a classified list of all officers in the Public Service shall be published in the month of January in each year in the Government Gazette.

Sec. xvii directs that every candidate for admission into the Service shall pass an examination before a Board of Examiners appointed by the Governor in Council; such examinations to be as the Governor in Council may from time to time direct, *but without competition*. So far as I recollect, the Board consisted of three persons, two being professional men, and the third a high officer of the Service. I think this is right; it would be desirable either that one of the examiners should be

connected with the Department the candidate wishes to enter, or else that the Board should be assisted by an officer of such Department.

Section xix limits the probation to three months, but it directs that the officer at the head of the office or class shall, before the appointment takes place, recommend the probationer, in writing, as, in his opinion, a suitable person. I am inclined to think three months to be too short a period for test purposes. A young man may be physically and intellectually qualified to join the Service; he may, further, be honest, sober, industrious, and steady; but though possessing all these qualities, he may have a temper such as to set all the office by the ears, or he may even be over scrupulous as to the manner in which his work is performed. Sir Arthur Helps treats of this last fault in the chapter "on attracting able men to the service of Government," in his book, "Thoughts upon Government," wherein he quotes a case when, in conjunction with his chief, he engaged for the English Public Service a double first from Oxford, and thought he had secured a prize. He states "that the man had one fatal defect. He was slow. There were, for example, about ten matters of business which had to be brought to him in the course of the day. He was an exacting, fastidious kind of man, and could never be persuaded to settle more than three of them. The consequence was that the business in question fell off from him, and was carried to a man in another department, of more limited education, but a fine reasoner, a master of expression, and, altogether, an admirable man of business." In fact I think it would be desirable to do away with the term "probation," as establishing a kind of claim, and for twelve months simply retain the successful candidate as a temporary clerk; if then he proved to be quick, intelligent, and possessed of a certain amount of give and take, his appointment might be made permanent. I question the interference by recommendation of the senior officer for reasons which I shall give further on.

Section xxiii of the Act is very worthy of attention, as it enables the Governor in Council to secure for the Service any person of known ability to fill a high office, even when there are officers already in the service capable of filling the position. Although, in my opinion, such a step should only be resorted to in extreme cases, yet I can imagine instances where it might be necessary to bring in an outsider even when there is an officer already in the Service capable of filling the appointment. Section xxix guards against unfairness in the making of appointments under these circumstances.

Section xxxi directs annual reports from the head officer. From Section xxxii to Section xxxv, the Act is taken up with penal clauses; and here I think the weak point of the Act is to be found, though I am not certain that the Act has not been modified in these clauses. It will be seen that power is given to dismiss, or to fine; and that, combined with the annual report, the powers granted by the penal clauses give such large grasp of the several Departments to the Secretaries or Deputies, that unless most carefully administered, the government of the Department is apt to become autocratic. It is well known that unlimited power is apt to beget tyranny; certainly this is the case in this very service in the Colony of Victoria, of which I am now writing. One Secretary, by reason of his arbitrary conduct, brought on nearly a revolt. It was recorded by the Melbourne correspondent of the *London Times*, that men used to tremble at the sound of his voice, whilst others would shed tears if his bell rang for their presence. Of course the case is altogether exceptional; but although it is desirable for the sake of good discipline that penalties should remain in the Statute Book, yet the greatest possible safeguards should be instituted to prevent their abuse.

Sec. xxxvi grants annual leave of absence for three weeks. I do not think this is enough, especially in a place so situated as Ottawa.

Secs. xxxix to xlix treat of superannuation. I do not think the Committee have noticed this question, and I shall make no remark thereon.

I have here hurriedly glanced at the Victoria Act. I now propose to make a few remarks on the general question of the Civil Service of Canada.

In the first place, I must remark that beyond the memoranda of Mr. Meredith and Col. Brunel, and the short notices in the papers, I know nothing of the nature

of the questions asked, or the information desired to be obtained; and if I have gone beyond the bounds of the enquiry, I have erred through ignorance.

I agree with Col. Brunel's observations regarding the Civil Service Act as it now stands; and to his remarks I can add no more.

I have not, so far, seen that the attention of the Committee has been drawn to the peculiar circumstances attending the Public Service at the seat of Government in Canada. In England and in all other British Provinces, so far as I know, the seat of Government, wherever it is placed, is also the seat of the learning, trade and commerce of the country. In Canada this is not the case. The Public Service at Ottawa form an isolated community, herding together and measuring themselves, not against their fellows in other conditions of life, but against each other. Such a condition of affairs is unhealthy. I am afraid that to maintain the efficiency of the Public Service at Ottawa at a high standard, and to place it above the keen criticism now in force in Canada, that, from time to time, infusion of new blood will be expedient. I do not wish in these remarks to give more than my individual opinion, and I wish to state that, in no sense, do I desire to detract from the merit of the Service.

I have already said that only in rare cases should vacancies be filled up from outside, and amongst other reasons in support of this view I beg to advance the following:—

(a.) To pass a man over destroys his self-esteem, takes away all his hope in the future, renders his life aimless, and since the individual must always be of chief interest to himself, it has a powerful tendency even with minds of high moral tone to make their work perfunctory.

(b.) The public servant naturally judges what his own future may be by the treatment accorded to his fellows; and to pass a man over not only affects himself, but it affects his immediate surroundings—possibly the entire Department suffers, and in certain cases it will take the heart out of the whole public service.

(c.) It seriously affects discipline. As nothing succeeds like success so nothing is so damaging as failure; and the unsuccessful man can neither obtain respect from his equals, nor obedience from his inferiors. It would probably be well if changes could be more frequently made from the outside to the inside services.

I notice in the Reports of the "Playfair Commission" on the English Public Service that mention is made of the employment of women writers, and, *inter alia*, the Commission reported thereon. The office to which I am attached (the Treasury Board) is occupied chiefly with accounts, and has but little clerical work; nevertheless, at times of pressure I have give out work to women writers; in fact, I think I was the first to try the experiment. I have gone further than mere copying. In order to facilitate the preparation of the Estimates for Parliament, I have had the previous year's estimates put up in skeleton form by a lady, leaving blanks for the Estimates of the year to be filled in afterwards. I have also had the Abstracts of Expenditure attached to the Public Accounts tabulated by a lady, and I am bound to say that the experiment has been successful. As a rule, women write a clear running hand, they are steady workers (necessity often making them so), and I see no reason why they cannot form part of the Public Service. As a specimen of woman's work, I send the Victoria Act, written out.

I have only further to remark that if the Committee have not had their attention already drawn thereto, it would be worth while to consult the Report of the Playfair Commission; and it would not be amiss to notice the evidence of Mr. Lowe, Mr. Stansfeld and the officers of the Treasury, given before the Committee appointed in 1873 to enquire into "Civil Service Expenditure." The report of the Playfair Commission, in particular, upsets the belief entertained of the necessity of competition, and reverses the results arrived at in the report of Sir Stafford Northcote and Sir Charles Trevelyan in 1853.

The salient points in the scheme recommended by the Commission are:—

I. The introduction of a system of service pay and duty pay.

II. The great reduction of the Civil Service writer class, and the reorganization of the service in such a manner as to assign the bulk of the work now done by writers to established clerks.

III. The substitution of selection from a list of successful candidates for the present system of competition.

IV. Proposals for promotion by merit, for transfer from office to office, and for staff appointments.

The second point in the scheme of the Commission is opposed to the opinion of Sir Henry Taylor, who in his book, "The Statesman," published in 1836, gave it as his belief that there should be only one established class, and that the great bulk of the copying business of an office will be always executed most cheaply and efficiently by the piece or job.

(Signed)

J. M. COURTNEY.

P.S.—Since writing the above memorandum the Civil Service Votes have passed through the English House. On the vote "Salaries of the Treasury," Sir H. D. Wolff asked how appointments are now made;—whether by competition or otherwise. Mr. Smith replied that during the existence of the present Government no appointments by competition had been made to the Treasury. No further discussion occurred.

Name of Colony.	Salary of Governor.	Population.	Revenue.	Expenditure.	Imports.	Exports.	Judicial Salaries.			Number of Members of Upper House.	Salaries—Houses of Parliament.			
							Chief Justice.	Puisne Judges.	District Judges.		Speaker.	Chairman of Committees.	Clerk.	Clerk Assistant.	Legislative Council, or Senate.
(a) NEW SOUTH WALES	\$ 34,066	502,861	11,887,515	11,001,971	37,752,101	38,889,718	\$ 12,654	\$ 9,733	\$ 4,866	30	\$ 4,866	\$ 1,946	\$ 3,153	\$ 2,311
(b) NEW ZEALAND.....	21,900 and allowances.	256,393	8,500,232	11,640,972	22,576,540	23,470,746	8,273	7,300	3,894 and 4,380	41	2,920	1,946	1,946	.....
(c) QUEENSLAND.....	24,937	115,567	3,616,216	3,720,523	7,676,383	12,330,829	7,300	*9,733	4,866	23	3,893	1,946	2,433	.....
(d) SOUTH AUSTRALIA.	24,333	185,626	2,747,915	3,562,645	13,406,547	14,566,104	7,300	6,326	.....	18	2,433	.....	2,433	.....
(e) TASMANIA	31,653	99,328	1,308,622	1,349,726	3,858,858	3,357,050	7,300	5,840	.....	15	973	730	*1,460	.....
(f) VICTORIA.....	48,666	729,654	15,851,809	16,718,976	60,618,018	60,687,442	14,680	12,166	7,300	30	4,866	1,946	4,866	2,920
CANADA	48,666	*3,484,924	19,335,560	†15,623,081	86,947,482	74,173,619	4,000 and 5,000	3,200 and 4,000	2,000 and 2,600	77	3,200	Nil.	2,400	2,000

† Not including Public Works. British Columbia.

* Excluding Manitoba and

Name of Colony.	Salaries— Houses of Parliament.				Number of Members of Lower House.	Number of Cabinet.	Salaries of Ministers.				Salaries of Under-Secretaries or Deputies, Auditors, Chief Clerks, Inspectors, &c.									
	Speaker.	Chairman of Committees.	Clerk.	Clerk Assistant.			\$	\$	\$	\$	\$	\$	Under-Secy.	Under-Secy. Treasury.	Under-Secy. Attorney General.	Under-Secy. Postmaster General.	Under-Secy. Public Works.	Auditor.	Branch Officers.	Chief Clerks.
(a) NEW SOUTH WALES	5,353	Not given.	3,641	2,701	72	7	\$ (1) 3,733	\$ (4) 7,300	\$ (1) 4,866	\$ (1) 4,623	\$ 3,641	\$ 3,641	\$ 2,925	\$ 2,925	\$ 3,641	\$ 4,380	\$ 4,501	\$ 3,153		
(b) NEW ZEALAND	2,920				78	5	\$ (5) 4,866					2,920	2,920		4,380	3,893	2,433			
(c) QUEENSLAND	3,893	1,946	2,433		31	6	\$ (6) 3,893				2,920	2,920	2,433		2,920	3,406	2,190			
(f) SOUTH AUSTRALIA	2,433		2,433		36	5	\$ (1) 6,326	\$ (1) 4,866	\$ (1) 4,380	\$ (2) 3,894	2,920	2,920	2,920		2,433	3,406	2,433			
(c) TASMANIA	973	730	2,190		30	4	\$ (4) 3,407				2,433	2,433			2,920	2,433	2,190			
(f) VICTORIA	7,300	3,893	4,866	3,893	78	10	\$ (1) 9,733	\$ (8) 8,342	\$ (1) 7,300		4,380	4,380		4,380	5,840	4,866	2,920			
CANADA	3,200	Nil.	2,975	1,925	200	13	\$ (13) 5,000				2,840	2,600	2,600	2,600	3,500	2,400	2,000	to 2,400		

NOTES TO THE FOREGOING TABLES.

- (a) One-half the Imports come from the United Kingdom, and about one-third of the Exports are shipped to it. The Exports include:—Wool, £2,801,233; and Gold Dust and Gold Coin, £1,878,823; or together, £4,680,056=£22,776,273. In the Branch Officers, I have taken the Salaries of the Colonial Architect, Examiners of Titles, &c., as the test; but there are other officers, such as the Deputy Master of the Mint, Chief Engineer, &c., whose emoluments are much greater. The reason of a smaller sum being paid to the Under-Secretary of the Attorney-General, arises from the fact that the Cabinet includes a Solicitor-General as well as the Premier.
- (b) A considerable portion of the Revenue of New Zealand is derived from the sale of Crown Lands, Depasturing Licenses, &c.; this is not included in the ordinary financial statement, but is treated separately in the accounts as "Territorial Revenue." The latest return shows this revenue to be \$3,838,968 for the year. The Imports from the United Kingdom, and the Exports to, are, as in New South Wales, just one-half and one-third respectively. In the year 1868, which gives the latest detail, out of the total value of Exports—£4,429,198—Wool was valued at £1,516,548, and gold at £2,492,721; in all, £4,009,269, or \$19,511,776. The total quantity of Gold exported from the 1st of April, 1857, to the 31st March, 1870, was 5,155,295 ounces; value £20,024,218, or \$97,451,145. There is no Minister of Public Works; the Colonial Secretary has no Under-Secretary. Members of both branches of the Legislature receive £1 sterling per diem for each day's attendance. New Zealand is divided into Eight Provinces, each of which is governed by an elected Superintendent and a Provincial Council.
- (c) The trade is chiefly with the other Colonies and Great Britain. The staple articles of Export are Wool, Gold and Cotton; the last having risen from an Export, in 1864, of 200 cwt., to an Export, in 1870, of 8,201 cwt.
- (d) The chief Exports are Corn, Wool and Copper; and of the total of 1868, which gives the latest details, out of Exports, in value £2,819,300, Flour and Wheat=£554,585; Wool=£1,346,323, and Copper=£400,691; in all, £2,301,599. There is no Postmaster-General; the Post Offices are under the control of the Colonial Secretary.
- (e) The trade of Tasmania is chiefly with the other Australian Colonies, more particularly with New South Wales and Victoria. About one-fifth of the Imports are received from Great Britain, and rather less than half the Exports are sent there. In addition to the Cabinet there is an Executive Council of 18 members.
- (f) The Imports from Great Britain during the year given=£20,970,701, and the Exports to Great Britain \$28,136,634, of which Wool alone amounted to \$22,900,378, the weight of the Wool being 64,220,935 lbs. Half the total Export nearly consists of Gold, chiefly exported to India and China. The official return of the Gold Fields from 1851 to 1870, shows the produce to have been 39,515,989 ozs., of the value of \$748,455,053. In Victoria, besides the Attorney-General and Solicitor-General, there are also attached to the Law Departments a Crown Solicitor at \$4,866; three Crown Prosecutors at \$2,920; and two Chief Clerks (Civil and Criminal) at \$2,920. There are also a Commissioner of Titles at \$9,733; a Master in Equity at \$7,300; a Chief Commissioner of Insolvent Estates at \$7,300; and a Curator of Estates of Deceased Persons at \$2,920 and 2½ per cent. commission. There is no Auditor, but there are three Commissioners of Audit at \$4,866 each; and the Clerks, Clerks of Works, Accountants, &c., answering to the 1st Class Clerks of Canada, receive \$2,361. There is a Board of Examiners for the Civil Service, consisting of the following gentlemen:—W. E. Hearn, M.D., LL.D.; Capt. Kay, R.N., F.R.S. (Clerk of Council); W. W. Wardell, C.E.

VICTORIA.

An Act to regulate the Civil Service.

Cap. 160 of 1862.

PREAMBLE.

WHEREAS it is expedient to classify the Civil Service according to the duties performed by the officers thereof, and to regulate the salaries therein accordingly, and to establish a just and uniform system of appointment, promotion and dismissal, and to grant to such officers furlough for recreation and other purposes, and provide retiring allowances for them in certain cases; Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Victoria, in this present Parliament assembled, and by the authority of the same, as follows:—

PART I.—CLASSIFICATION,

1. Nothing in this Act shall apply to any Judge of the Supreme Court, or of any inferior Court, or to the Master in Equity, or to the chief or any other commissioner of insolvent estates, or to any prosecuting barrister, or to the Commissioners of Audit, or to any officer, the right to appoint whom is not vested in the Governor in Council, or to any officer, constable or other member of the police or volunteer force, or to any officer paid out of contingencies, or to any officer remunerated by fees or commission, or to any officer who is now or hereafter shall be in any Department which the Governor in Council shall declare temporary, or to any officer temporarily appointed or employed, or to any officer or class of officers to whom or to which the Governor in Council shall declare that the provisions of this Act shall not apply.

2. The Civil Service shall, for the purposes of this Act, be taken to consist of two divisions, that is to say: The "Ordinary Division," and the "Professional Division."

3. The professional division shall include all those offices, whether now existing or hereafter to be created which require for their exercise some skill usually acquired only in some profession or other pursuit different from the Civil Service, and shall consist of as many classes as the Governor in Council may, in the case of each department of such division direct.

4. The ordinary division shall include all those offices, whether now existing or hereafter to be created, which are not comprised in the professional division, and shall consist of five classes.

5. The officers mentioned in the first schedule to this Act shall be officers of the first-class in the ordinary or the professional division, and, except in the case of officers paid by virtue of any Act now, or which hereafter shall be in force, shall have attached to them respectively, but subject to such alterations as are hereinafter provided, the several salaries which shall be granted to them by the Appropriation Act for the year one thousand eight hundred and sixty-two.

6. Every class in each division as aforesaid, except the first class of the ordinary and the first class of the professional division, shall have a maximum and a minimum limit of salary, ascertained in the manner hereinafter directed, and every officer therein shall be entitled to receive in every year by way of increase to his salary, a sum equal to one-sixth part of the difference between the limits of the salary assigned for that year to the division and the class in which he is placed, but no officer shall in any year receive a salary higher than the maximum limit for that year in his division and class.

7. Before the transmission of the message accompanying the estimates in any financial year, the Governor may recommend, by message to the Legislative Assembly, a rateable reduction or increase, if any such be required, according to a specified rate in or to the salaries of the officers of the first class, and also a maximum and minimum limit of salary for each class except the first in each division of the service, and the rate of such reduction and increase, if any, and the limits of salary thereupon adopted by the Legislative Assembly for each such class shall be the rate of reduction and increase, or the limits of the salary as the case may be for that class, during the financial year, but in every inferior class the maximum limit of salary shall be less than the minimum limit of salary in the class next above such inferior class.

8. As soon as conveniently may be after the passing of this Act the Governor in Council shall determine the number of offices of each division and class aforesaid, that are required for the efficient working of each department, and shall classify the officers of the Civil Service according to the arrangement of offices so determined, and as soon as such classification has been completed a statement thereof shall be published in the *Government Gazette*.

9. Where any officer thinks that in the classification for the year one thousand eight hundred and sixty-two he has been placed in a class lower than that in which, from the nature of the services he performed he ought to have been placed, if the responsible Minister in charge of the department, consent in writing, that he shall do so, he may, within one month from the date of publication of such classification, apply to the Governor in Council, and the Governor in Council shall thereupon appoint three or more competent persons to hear and report thereon and may confirm or alter such classification, and such classification as confirmed or altered shall be final.

10. Where any question arises respecting the rights or the obligations under this Act, of any officer or class of officers, the Governor in Council may decide the same and such decision shall be final.

11. As soon as convenient after the determination of such application in the year one thousand eight hundred and sixty-two, and in the month of January in every year afterwards, a list of all officers in the Civil Service, classified as aforesaid, with the date of their first appointment, shall be published in the *Government Gazette*, and such list shall be *prima facie* evidence of the character of the office and of the rank and length of service of every officer therein named.

12. It shall be lawful for the Governor in Council from time to time to diminish the total number and alter the distribution of the officers in the Civil Service in each Department as circumstances may require.

13. Where in the present year any officer shall receive a salary assigned under this Act to the class in which the Governor in Council places him, but beyond the minimum salary of that class, such officer shall continue to receive the same salary; but shall not receive any annual increment thereto until the time at which if he had entered such class at its minimum salary in the present year, he would have been entitled to receive an annual increment.

14. Where in the year one thousand eight hundred and sixty-one any officer received a salary higher than that assigned under this Act to the class in which the Governor in Council places him, he shall receive the maximum salary of such class.

15. Where in the case mentioned in the next preceding section, the reduction of salary amounts to or exceeds ten per cent., the officer whose salary is so reduced shall receive in consideration thereof a sum amounting to one-twelfth part of such reduction for each year of service, and a proportionate sum for any additional time less than a year.

16. When the services of any officer are dispensed with in consequence of any change in any department and not for any fault on the part of such officer, if he have been employed at the time of the passing of this Act in any office for which a salary has been provided by the Appropriation Act of 1861, or if at any future time he holds in his own behalf, and not as acting for any other person, any office within

the meaning of this Act, every such officer shall as compensation receive for each year of service one month's salary, according to the rate of salary paid to him during the year one thousand eight hundred and sixty-one, or at the time when his services shall be so dispensed with as aforesaid and a proportionate sum for any additional time less than a year.

PART II.—APPOINTMENTS.

17. Every person entering the Civil Service within the meaning of this Act shall, except as hereinafter provided, be subject to the probation herein directed and shall be conditionally employed in the lowest, or where, in the opinion of the Governor in Council, special but not professional qualifications are required, in the fourth class in that division of the service to which he is attached at the minimum salary of such class.

18. Every candidate for admission into the Civil Service shall, as a condition precedent to his nomination as a probationer, produce such evidence as the Governor in Council may think sufficient as to his age, health and moral character and every candidate for admission into the ordinary or the professional division shall further pass before a Board of Examiners appointed by the Governor in Council such examination but without competition, as the Governor in Council may from time to time direct.

19. When any person has been conditionally employed upon probation in any office in the Civil Service, if, at the expiration of three months from the date of such employment, the first class officer of the department in which the probationer has served recommend in writing the probationer as a suitable person to be appointed an officer of the Civil Service, the Governor in Council may, if he think fit, then, but not before, appoint such person.

20. The Governor in Council may at any time during the probation summarily dismiss any probationer, and every probationer shall during such period receive half the salary of the class to which he is conditionally employed, but if he be permanently appointed he shall receive the remaining moiety from the date of his conditional employment.

PART III.—PROMOTION.

21. When in the ordinary division any vacancy occurs in any superior class, if it be expedient to fill up such vacancy, the Governor in Council, except as hereinafter provided, shall promote from the class next below that in which the vacancy has occurred, such officer as he shall judge the most deserving of such promotion.

22. When in the professional division any vacancy occurs in any superior class, if it be expedient to fill up such vacancy, and if the Governor in Council be of opinion that there is any officer of lower rank in the Department where such vacancy has occurred, competent to discharge the duties of the vacant office, he shall appoint such officer, but if there be no such officer then he may appoint such person as he may think fit, although not previously engaged in the Civil Service, with or without examination or probation.

23. Whenever it is expedient to secure for the public service on the occurrence of any vacancy the services of some person of known ability and to place such person immediately in some of the higher classes of the Civil Service although such person may not have been previously engaged in the Civil Service of this colony, and although there may be in the lower classes of the Service officers competent to perform the duties of the vacant office, the Governor in Council, anything in this Act to the contrary notwithstanding, may appoint such person accordingly and without either examination or probation.

24. When any such appointment is made without examination or probation, a statement thereof and of the reasons for which it has been made, shall within one week after the date thereof be published in the *Government Gazette*.

25. Notwithstanding anything herein contained, any person who at any time has been or shall hereafter be employed in any office in the Civil Service, and who has not been dismissed or called on to resign for improper conduct, may be appointed to any class in the same manner as if he had never left such service.

26. Every head of a Department shall furnish to the Governor in Council once in each year, or at other times as the Governor in Council may direct, reports upon the conduct and the efficiency of the officers employed in his Department.

PART IV.—PENALTIES—DISMISSALS.

27. After the passing of this Act, no officer of the Civil Service shall be dismissed therefrom, or suffer any other penalty in respect thereof, except for the causes and in the manner set forth in this Act; but nothing herein contained shall be taken to prevent the Governor in Council, if it be expedient, to reduce the number of officers in any Department, or to amalgamate two or more Departments from dispensing with the services of any officers in consequence of any such alteration.

28. The Governor in Council may from time to time make and publish in the *Government Gazette* regulations, and repeal or vary the same concerning the duties to be performed by officers of the Civil Service, and the discipline to be observed in the performance of such duties, and may affix to breaches of such regulations according to the nature of the offence, the penalties herein set forth, provided always that no such regulations shall in any manner alter or affect duties which by any Act now or hereafter to be in force are, or shall be, required to be performed.

29. If any officer be guilty of any breach of such regulations the Governor in Council may, according to the nature of the offence, dismiss him from the service or reduce him to a lower rank therein or to a lower salary within his class, or deprive him of such future annual increment as he would otherwise have been entitled to receive, or of any part thereof, or of his leave of absence during such time as the Governor in Council thinks fit.

30. If any officer be convicted of any felony or infamous offence, or become bankrupt, or apply to take the benefit of any Act now or hereafter to be in force for the relief of insolvent debtors, or by any deed or other writing, compound with his creditors or make an assignment of his salary for their benefit, he shall be deemed to have forfeited his office.

31. When any such officer has forfeited his office by reason of any such pecuniary embarrassment as aforesaid, if he prove to the satisfaction of the Governor in Council that such embarrassment has not been caused or attended by any fraud, extravagance or dishonorable conduct, the Governor in Council may reinstate such officer in his former position in the service.

32. Where any officer is guilty of any conduct which, in the opinion of the Governor in Council, renders him unfit to continue in the Civil Service, such officer, upon proof thereof as hereinafter directed, may be dismissed from the service.

33. When any officer is negligent or careless in the discharge of his duties, if the officer in immediate charge of the department wherein such first-mentioned officer is engaged, be of opinion that the offence is not of so serious a nature that a report thereof should, in the course of his duty, be made to the Governor in Council, such officer in charge may, for every such case of misconduct, order to be deducted by way of fine from the salary of such other officer a sum not exceeding five pounds, and the responsible Minister of the department may, on the appeal of the officer so punished, confirm or disallow such penalty, and his decision shall be final and without appeal.

34. The Treasurer on receiving notice of any pecuniary penalty imposed under the authority of this Act shall deduct the amount thereof from the salary or next payment made by him on account of salary to the officer incurring such penalty.

35. When any officer is accused of a breach of his duty or of any conduct rendering it unfit that he should remain in the Civil Service, if he deny the truth of such accusation, and if the Governor in Council nevertheless thinks that sufficient

cause has been shown for further proceedings, the Governor in Council may appoint three or more fit and proper persons to inquire as to the truth of such charge, and such persons shall have authority to hear, receive and examine evidence, and shall after fully hearing the case report to the Governor in Council their opinion thereon.

PART V.—LEAVE OF ABSENCE.

36. The responsible Minister of every Department may, at such times as may be convenient, grant to every officer leave of absence for recreation for any period or periods not exceeding in the whole three weeks in each year, and in each case of illness or other pressing necessity grant such extended leave, not exceeding twelve months, and on such terms as he thinks fit.

37. Where any officer desires to visit Europe or some other distant country if he have continued in the Civil Service of this colony at least ten years, and have not been reduced for his conduct or deprived of leave of absence under this Act, the Governor in Council may grant him leave of absence upon half salary for a period not exceeding twelve months, but for such period of absence such officer shall not be entitled to receive any annual increment.

38. The following days shall be observed as holidays in the public offices:—New Year's Day, Christmas Day, Good Friday, and the three following days, Whit Monday, the anniversaries of the birthday of Her Majesty, of the day of separation of the District of Port Phillip from the Colony of New South Wales, and of the day of Proclamation of the Constitution Statute, and any other day appointed in the *Government Gazette* as a public holiday. Provided that nothing in this Act shall prevent the responsible Minister in charge of a Department from requiring the services of any officers of such Department during any such holiday in case of emergency, but in that case such officers shall be entitled in lieu thereof to a holiday upon such other occasion as shall not interfere with the public service.

PART VI.—SUPERANNUATION.

39. When any officer, after the passing of this Act (except as hereinafter provided) has attained the full age of sixty years, he shall therefrom retire from active-service upon a superannuation allowance.

40. Any officer who at the time of the passage of this Act has attained, or within ten years after, shall have attained the age of sixty years, if or as soon as he shall have been ten years in the Civil Service of Victoria, or of the District of Port Phillip, or of both, and if he has not received any other compensation or retiring allowance in respect of such service, shall retire from active service on an annual allowance of half of the average annual salary received by him during the two years preceding his superannuation.

41. The Governor in Council may nevertheless require any officer who would otherwise retire as aforesaid, notwithstanding his age, to continue to perform his duties.

42. When any officer desires to retire from active service, and has not attained the full age of sixty years, if he produce medical evidence satisfactory to the Governor in Council that he is incapable, from infirmity of mind or body, to discharge the duties of his office, and that such infirmity is likely to be permanent, the Governor in Council may permit such officer to retire accordingly upon a superannuation allowance.

43. If the Governor in Council requires any officer to resume his duties in his former office or in any other office for which he is qualified, and if such officer be in such a state of health as to be able to perform such duties, and if he decline to undertake such duties, or neglect duly to perform the same, such officer shall forfeit his right to the superannuation allowance which had been granted to him; and if he resume his duties, his superannuation allowance shall merge in his salary.

44. Every superannuated officer (except as hereinbefore expressly provided), whether his remuneration be computed by day pay, weekly wages or annual salary, shall receive in respect of such superannuation the following annual allowance (that it to say:—After ten years' service and under eleven years, ten-sixtieths of the average annual salary received by him during three years preceding his superannuation; after eleven and under twelve years' service, eleven-sixtieths of such annual salary; and in like manner, for each additional year of service, an addition to his annual allowance of one-sixtieth of such salary until he has completed the full term of service of forty years; but the total amount of any superannuation allowance shall in no case exceed forty-sixtieths of the salary on which the allowance is computed.

45. Where any officer has served for a less period than ten years, if without his own default and in the discharge of his public duty, he receive such bodily injury as to incapacitate him from the discharge of his duties, the Governor in Council may grant to such officer a gratuity not exceeding three months' pay at his then rate of salary for each year of service.

46. Where any officer has served for a less period than ten years if he be constrained from infirmity of body or mind to leave the service the Governor in Council may grant to him such gratuity as he may think fit, not exceeding in any case the amount of one month's pay at his then rate of salary for each year of service.

47. If any officer shall die from bodily injury received without his own default in the discharge of his public duty, the Governor in Council may grant to the widow or children, or at his discretion to any other relation of such officer a gratuity not exceeding one month's pay for each year of service at the average annual salary he was receiving for the ten years next preceding his death if such officer was employed ten years in the Civil Service, and if he was not employed ten years, then at the average annual salary he was receiving during the time he was so employed.

48. When any superannuation allowance is granted under this Act, the causes of the granting thereof shall be set forth in the warrant granting the same.

49. Nothing herein contained shall be taken to prevent the Governor from recommending to Parliament any addition to any superannuation allowance or gratuity in consideration of any special services rendered by the officers entitled thereto, or of any other unusual circumstances.

PART VII.—MISCELLANEOUS.

50. The provisions contained in the sixteenth Section and the fourth, fifth, sixth and seventh parts of this Act, and none others shall apply to the officers mentioned in the second schedule hereto, and the salaries of such officers shall be the salaries respectively assigned to them by the *Appropriation Act* for the year one thousand eight hundred and sixty-two, and shall (except in cases of officers whose salaries are paid by virtue of any Act which now is, or which hereafter shall be in force) be subject to reduction or increase in the same manner as the salaries of officers of the first class in the ordinary or professional division are determined under this Act, and any such officer may be appointed to any other office in the Civil Service which in the opinion of the Governor in Council he is competent to fill.

51. The provisions contained in the sixteenth section, and the fourth, sixth and seventh parts of this Act and none others shall apply to the officers mentioned in the third schedule hereto, and such officers shall receive respectively such salaries as Parliament may from year to year provide, except lockers and weighers in the Customs' Service, who shall have all benefits arising from the provisions of this Act to officers of the fourth class except that of increment alone.

52. Where any officer is allowed to use for the purpose of residence any building belonging to the Government, the Governor in Council may direct that a fair and reasonable sum as rent thereof be deducted from such officer's salary.

53. Nothing herein contained shall be deemed to alter the *Constitution Act* of the Parliament of Victoria numbered 86.

54. No officer in the Civil Service shall be deemed to be entitled to any compensation by reason of any reduction of his salary or annual increment consequent upon any alteration of the limits of salary of his class as hereinbefore provided, or by reason of any alteration in the scale of superannuation allowances which may be made by any Act amending or repealing this Act.

55. Where any money has been appropriated by Parliament in any year for the payment of the salaries of the officers in any class and division if during the year for which such appropriation has been made any vacancy occur in any such class and be not filled up, the Governor in Council may apply the money appropriated to such vacant office or any part thereof to the payment of any other officers in a lower class of the same division that he may appoint.

REPORT.

The Select Standing Committee on PRIVILEGES AND ELECTIONS under the Order of The House, made on the ninth day of April instant:—"That the attention of this House having been called to the Reports, Returns, and Vouchers laid upon the table, touching the payment of public moneys to the Hon. T. W. Anglin, Member for the Electoral District of Gloucester, for Printing and Stationery for the Post Office Department, the said papers be referred to the Select Standing Committee on Privileges and Elections, and they be directed to enquire into the facts, to search for precedents, and to report the result of their enquiries; and whether the said Hon. T. W. Anglin has vacated his seat;"

Have the honor to report unanimously as follows:—That at the first meeting of the Committee they directed that notice of their next meeting be given to the Hon. T. W. Anglin;

That on the 14th day of April, instant, The House made a further Order that it was desirable that any witness to be examined by the Committee in relation to the matters in the Order first above mentioned. should be examined on oath;

That the said Hon. T. W. Anglin appeared before the Committee and made a statement under oath, and submitted himself for cross-examination and was so examined;

That subsequently the Committee examined The Honorable D. A. Macdonald, late Postmaster General, and now Lieutenant-Governor of Ontario, and Mr. William H. Griffin, the Deputy of the Postmaster General, and examined papers and documents relating to the facts, and searched for precedents;

That it appears from the evidence before the Committee that the Hon. T. W. Anglin, since he has been elected a Member of this House, has fulfilled various orders given by Public Officers for the insertion in his newspaper, the *St. John Freeman*, of advertisements in connection with the Public Service, and various orders given by the Post Office Inspector, under the instructions of the Postmaster General, for the printing of forms required for the Post Office Department, and has received public moneys for such advertisements and printing;

That it appears from Mr. Anglin's evidence that his action was taken under the *bona fide* belief, founded on the precedent and practice hereinafter stated, that he was not thereby holding, enjoying, undertaking or executing any contract or agreement within the second section of the Act 31 Victoria, Chapter 35, for securing the independence of Parliament;

That in the year 1864 an Election Committee of the Legislative Assembly of the late Province of Canada, found that the publication by the Member for Russell of advertisements for the public service, paid for with the public moneys, did not create a contract within the meaning of the Provincial Act, the provisions of which are, so far as is material, as follows:—No person whosoever holding or enjoying, undertaking or executing, * * * any contract or agreement with Her Majesty, or with any Public Officer or Department with respect to the Public Service of the Province, or under which any public money of the Province is to be paid for any service, work, matter or thing, shall be eligible as a Member, &c.;

That in giving their decision the Committee used the following language:—
 "The performance of a particular work undoubtedly raises an implied contract to pay the value of such work. In that case, an undertaking may be said to have arisen and the money was no doubt paid directly either to the sitting Member or his Agent.

"It is to be remembered, however, that the Statute is a disabling and penal one, and must be strictly interpreted. The word 'contract' is accordingly to be taken

“in its most restricted meaning. There must be, in our opinion, a distinct covenant, or a subsisting and continuous agreement, assented to by both parties, and having the character of mutuality. The words themselves may be said in some sense to bear out this view, for it is required to be *held or enjoyed, undertaken or executed.*”

That it appears from the evidence taken by the Committee and from the Public Accounts of the Dominion, and Returns laid before Parliament, that between 1867 and 1873 numerous orders given by public officers for the insertion of advertisements connected with the public service were fulfilled, and various sums of public moneys were in respect thereof received by several persons then being Members of Parliament; and that, although these practices were notorious, it was never alleged in Parliament that the Members concerned therein had entered into disqualifying contracts, but they held their seats unchallenged through two Parliaments;

The Committee are of opinion that, in point of Law, the same principle must govern the case referred to them, and the cases of the Russell Election and the said other Members;

The Committee are, however, of opinion that the said precedent and practice are erroneous, and that, according to the true construction of the Act for securing the independence of Parliament, the transactions in question did constitute disqualifying contracts;

And therefore find: That the Hon. Timothy Warren Anglin, Member for the Electoral District of the County of Gloucester, after his Election for the said Electoral District, became a party to a contract or agreement with the Postmaster General of Canada, with respect to the Public Service of Canada, and under which public money of Canada has been paid for certain service and work, and that his election thereby became void;

The investigations of the Committee have led them to the conclusion that the Act for securing the independence of Parliament requires careful revision and amendment.

The Committee herewith respectfully transmit a copy of the evidence of the witnesses examined by them, and report the same for the information of the House.

The whole, nevertheless, humbly submitted.

EMILIUS IRVING,
Chairman.

MINUTES OF EVIDENCE.

FRIDAY, April 13th, 1877.

The Standing Committee on PRIVILEGES AND ELECTIONS met.

Mr. IRVING in the Chair.

Mr. Chairman :—On looking at the Statute, I find that it does not authorize any Committee, and not even any of the regular Standing Committees to administer the oath to the Speaker of the House of Commons.

Mr. Mackenzie :—Without a previous motion made in the House, and as this has not been done in this case, the Committee has no power to administer the oath to Mr. Speaker.

Mr. Anglin :—Then, to avoid loss of time, I will make a statement—and make it, of course, as if I were under the obligations of an oath—and if it be desired afterwards that the statement be made upon oath, and a motion be made in the House to obtain leave for me to do so, I will swear to the truth of what I will now state, or repeat it on oath.

Mr. Chairman :—In proceeding to make a statement of all I know about this matter, I think it is necessary for the full understanding of the question that I should go a little outside of the strict record of the case, because, in course of the debate in the House of Commons on this subject, various statements have been made, and various insinuations have been thrown out, which, if at all founded in fact, would make the whole transaction, not only a contract or agreement, but one of the most corrupt and disgraceful transactions that was ever committed. I think that it is desirable, under the circumstances, to deny the truth of these statements and to show what is the simple state of the facts, and also that these statements have no possible foundation; in truth there is no ground for the statement that there was any corrupt agreement, and there is no truth in any of these allegations which have been made. I will take the opportunity of saying that I have the permission of Mr. Mackenzie to refer to what passed between him and myself at the time of the formation of the Government, because it has been more than insinuated, in the course of the debate in the House of Commons, that the Speakership had been given to me with the work in question in order that I might receive an amount equal to the salary which I would have received had I been a member of the Cabinet. It has been stated as well that I asked a place in the Cabinet, and that, on being refused, I asked for the Speakership; but these statements are utterly and absolutely untrue and have no foundation whatever, in fact. I never asked from this or any other Government, for any personal favour, and I never intimated to Mr. Mackenzie or to any member of the Cabinet, that I should become a member of the Administration; nor did I ever intimate either directly or indirectly, that I had any anxiety or desire to become a member of the Cabinet, or that I had or pretended to have any claim whatever to a seat in the Government. What I stated most distinctly, and what I think every member of the Government, if called upon, would necessarily substantiate, was that I had no wish to become a member of the Government. On the day that Sir John A. Macdonald resigned, there was a great deal of excitement in the House, and I was myself made the centre of excitement of a special character, and, in fact, I felt so anxious to escape from it that I left the House and went down to my lodgings, taking a book with me to read; I did not see Mr. Mackenzie after he left the House, nor did I communicate with him in any way directly or indirectly, but went to my lodgings and remained there all day. Mr. Mackenzie came to my lodgings to see me between nine and ten o'clock in the evening, and told me that he had been successful to a great extent, in the formation of Government, but that there was some difficulty about inviting me to become a member of the Cabinet; he also said that he was very

desirous of overcoming that difficulty. Perhaps it is not necessary for me to allude more fully to the difficulty I speak of, but I have no objection, if any gentleman imagines that there is anything in it, to be subjected to the most strict cross-examination with regard to it. I will now, however, say nothing else on the subject. We spoke about this difficulty, and so far from my then demanding a seat in the Cabinet, I pointed out to him myself that this difficulty was of such a character that it would be foolish and unwise in him, and almost inconsistent with his duty to the party, for him to take me into the Government. He asked me to help him to overcome that difficulty, but this I declined to do, I told him most distinctly that; so far as I was concerned, I did not pretend to have any claim to a seat in the Government, that I had no desire to be in the Cabinet, and that if I was offered a seat in it, all I could say would be that I would consider whether I would or would not accept it, inasmuch as it would cause such a serious change in my whole position as, in my opinion, at all events, would render it not very desirable. However, he again insisted upon my endeavouring to overcome the difficulty; but I assured him that so entire was my confidence in him, and in his integrity and in his principles, that whatever Government he should succeed in forming I would support most heartily and most cordially, as far as it was possible for me to support any Government. Of course, there were questions on which he and I differed, probably; but I intimated to him that wherever I could support his Government, I would do so most heartily and most cordially. He saw me the next day, and he told me that the difficulty still existed. I told him it was what I expected, but that, as far as I was concerned, it made no difference whatever, and that he still might regard me as one of his staunchest and most warm supporters. He then asked me if I would take the Speakership, but I said that I would not. I had always regarded the Speakership as a most irksome and unpleasant position, and with my habits—accustomed, as I was, to take an active part in the business of the House, and a large share in the debates of the House,—I felt that the occupancy of the Chair would be for me a particularly unpleasant position, and that I would not take it. He asked me if I would not reconsider my decision, and I answered positively that I would not. We then parted, and I saw nothing more of Mr. Mackenzie, and heard nothing more from Mr. Mackenzie; nor had I any communication, directly or indirectly, with Mr. Mackenzie from that moment until the time when the announcement of the formation of the Government was made in the House. During the interval, a great many gentlemen did come to me, and sounded me on my opinion and the position I might possibly take, if still invited to become a member of the Administration; but of all that I never thought that Mr. Mackenzie knew anything. I was asked what I would do on the New Brunswick School Question, and I stated very plainly what I would do; but of that I never heard that Mr. Mackenzie said a word. There was not a single word said during all that time about my getting any benefit or advantage from the change in the Government, or of my getting any compensation for not becoming a member of the Government. There was never a word said or a syllable breathed about it, nor do I believe that it entered the mind of any man to suggest or think of such a thing. I know that it did not enter my mind; I never thought or dreamt of it. So far with regard to the statement, I have thought it necessary to myself and to the gentlemen who are members of the Government, and, in fact, necessary as a duty to the public, inasmuch as these charges have been made and these insinuations thrown out, to make, and, if it is thought necessary, I will make it under the solemn obligation of the oath. It has been alleged that, in this case, there was a contract or agreement; but I do not believe that, in any reasonable sense of the word, there was either a contract or an agreement. I will state exactly all that ever took place—and it was very little—with regard to the transaction between myself and a member of the Government. One day—I think that it was some time after the formation of the Government—I was detained here for a day or two, and it was while we were all still in Ottawa I think, though I will not be very sure, I met the Honourable D. A. Macdonald, who had become Postmaster-General, and he told me that he had been looking into the affairs of his office a little, and had learned that there was

some Post Office printing done in the city of St. John, and that he had sent instructions to have this printing transferred to the office of the *Morning Freeman*. I accepted that statement as a simple statement, of course. It had been long the custom—and I presume that every gentleman present is aware of it—that Government advertisements are sent to the newspapers supporting the Government, and that if any other kind is to be done at newspaper offices, it is usually sent to the offices of the newspapers supporting the Administration of the day. This, therefore, was not surprising to me. It appeared a matter of course that when the change of Government took place a change of that kind should also take place, and that the advertisements and other work done at the offices of the newspapers in St. John which had supported the late Administration should be transferred to the offices of the papers which would support the incoming Administration. There was various other work to be done, and it so happened that the work of the Post Office Department was sent to the *Freeman* office. On the occasion when the Hon. D. A. Macdonald simply told me that he had sent instructions, and had given them, that this work should be transferred to the *Freeman* office, I merely thanked him. On that occasion there was not a word more passed upon the subject; I think not over twenty words altogether passed between us. There was nothing said that any ingenuity could possibly convert into the semblance of a contract or agreement. I did not imagine then that the Postmaster-General was bound in the slightest degree to send me any work he pleased to withhold, or that I was bound to do any work he sent. I did not imagine at all when he told me this that there was in this transaction or would be in it the slightest violation of the Independence of Parliament Act. From that day I do not know but that—with the exception of passing a word or two with the Hon. D. A. Macdonald, while Postmaster-General, when I happened to meet him at Ottawa—this was every word said between us; and I know that never a word passed between myself and any other member of the Government with respect to this printing. I cannot tell whether the other members of the Government did or did not know anything about it, but I presume they did. It was a perfectly open transaction; there was not the slightest characteristic of secrecy in the matter. It was merely work transferred from one newspaper office to another newspaper office in St. John, by which that paper lost the work, and, consequently, this became a matter of notoriety down there. A gentleman read in the House of Commons, during the debate, an extract from the *Montreal Gazette*, published in 1874, in which this very transaction is spoken of. The accounts were made out in the usual form, I presume. They were not prepared by myself, but by my business man, and sent up here. The facts appeared in the Public Accounts of 1875, I believe, and I think again in 1876. There was not the slightest idea of concealing anything in connection with the matter. So far from this being the case, on one occasion, while I was in Ottawa, my business man wrote up to say that some accounts which had been sent up were unsettled, and that the money was very much required for some purpose or another, and I went myself over to the Department to learn whether the accounts had been audited and settled; and I affixed my own name, as appears, I believe, by the papers on the table, to one of the receipts, perhaps the second of them. I knew I was doing nothing wrong. I knew the country was not suffering the loss of a single dollar by the change of the work from one office to the other, because the rates paid were the same in each case; and there was no reason why I should resort to any trick or subterfuge of any kind to conceal the fact. I saw no reason, either, to be ashamed of the affair. I find that in one of the papers produced during the debate in the House, the words “per agreement” appear. I confess that rather startled me, for, as I have already stated, there was no agreement and no contract, and no question of this work being continued for any specific length of time, or for any length of time.

By Mr. Palmer :—

Q. This is not one of your papers?

Hon. Mr. Anglin :—It is not a paper signed by me, or of which I knew anything. I want to say that there was no agreement, most distinctly; neither did I myself ever

make any agreement, nor was any other person authorized by me to act on my behalf and make any agreement with the Government or any officer representing any Department of the Government. I wish to state distinctly and positively that this work came into the office from day to day; one day the Inspector of the Post Office Department, or a clerk in it, would send in an order for a certain quantity of blank forms of one kind; and on another day, they would send in an order for another set of blank forms of another kind, without my ever knowing that a single order would succeed it or not. There was no agreement. I want to try and explain what I imagine the words "per agreement" might possibly mean. There was no arrangement as to the prices in the first place; not a word was said about them; the work was simply sent to the office, and the accounts were rendered to the Department, and some time after my business manager, in whose hands I must leave my business very largely, being away from home so many months in the year, and who has entire control of the financial part of the business, and a great deal beside, came to me and said the Inspector had informed him that there were disputes about the prices charged. I said to him, you must take care not to overcharge, and be very careful to act so that nobody can—if the transaction ever comes up for examination—find any reason to suppose that there was any improper charge, the accounts will go before the Public Accounts Committee, and will be carefully investigated there, or at all events, be subject to investigation, and you must be exceedingly careful. He said he did not know what to do; he thought he had made reasonable charges. He opened—a controversy if you will—with the Inspector, who, I suppose, communicated with the Department at Ottawa; a schedule of prices was sent down about that time, and the Inspector, so my foreman informed me, submitted this to him, and he asked me what he would do about it. He said that the Department had signified its willingness to apply this scale of prices to the accounts. I think that the accounts were then in the possession of the Department. I told him that I was no judge of the matter at all, and to examine the scale carefully, and let me know what he thought of the prices. A day or two afterwards, he said to me that he had examined the scale of prices, and that they were fair, and he said that the Inspector wished me to say whether I would agree to accept this scale of prices. I said to him, "Take care and do not, on my behalf, agree to anything; simply state to the Inspector that you have examined the scale of prices, and that you think them fair and reasonable." These, as well as I can remember, are the words I used, but whether they regarded that in the Department as an agreement to a scale of prices or not, I cannot say; this is the only thing that I can remember in connection with the whole transaction, which would give the slightest foundation to anybody to imagine that there was an agreement; I wish to be understood again distinctly on this point; I warned my foreman that he must not say or do anything that would involve the understanding or the idea that there was between me and the Government, or any of their subordinates, any agreement; then, with regard to the quantity of work, it is stated to have been very large. It may be so; but I had very little idea, when I was told that the work would be sent to the *Freeman* office,—of what the quantity would be. I did not think that it would at all be as large as it proved to be. I never, by myself or by anybody else, solicited any increase in the work. If the quantity grew larger, owing to any changes in the regulations of the Post Office Department, I had nothing whatever to do with it, directly or indirectly; nor did I have the slightest idea that there was any increase made for the sake of putting money in my pocket; that I have no reason to believe and I do not believe it; nor, again, may I say, is the amount at all as large in proportion to the time, as at first sight appears. My impression is, that the first orders came to my office in November, 1873; that is my impression, and the accounts will probably show whether I am correct in this or not. I have not looked at them, because I determined that in this case, I would simply state what my recollection of the transaction was; and my recollection is, that the work first came to my office in the month of November, 1873; and then continued to come from that time until the end of the month of December 1875; there being nearly two years and three months of it altogether. Then again, there was another order sent down to cover Messrs.

Chubb's importation of stationery, or partly cover it,—which was really work done for the year following; so that the whole amount is extended over nearly three years; and I may say that of some of the blanks there was fully a three years' supply. That is my impression; I state this, because it might seem that a very great increase in the quantity of the work was made, in order to benefit me in some way or other. I do not believe that it was the case. I never had any such idea; and I am sure that I never did anything in the world to solicit any increase or anything at all to obtain it. The orders came in as I say. They were entirely voluntary and sent by the Inspector; and they were simply executed in my office or through my office, and the work was sent back again. At the end of the quarters the accounts were sent in, for any orders that had been received and executed, to the Department, in the most public and open way imaginable, and this, I say, continued until, I think, the 15th of December, 1875; I find from the papers read in the House, that it was somewhere in January that the order for stopping the sending of this work was issued, but my impression is that no orders actually came to the office from the month of December. My foreman, I know, came to me sometime in January, and told me that no work had come in for some time, and suggested that I should make some enquiry about it. I told him that I would make no enquiry about it at all; that the Government might do as they pleased; that I had no claim on them to send me any work; that I had nothing to say if they did not send a single dollar's worth of work to the office, therefore that I could not enquire into the matter. I also told him that my position forbade me asking any favours of the Government, or making any remonstrance, or pointing out that the work had ceased to come without any intimation having been given to me and without the receipt of any communication from the Government in the matter, stating the reasons why they had acted in the way they did. My position forbade any such course. Nor did I ever enquire, either directly or indirectly, why the work so ceased to come. I felt I had no claim and, as I say, there was no contract and no agreement and no understanding that the Government should send me anything. There was no claim for emolument either personal or political, of any kind whatever. Matters remained in that way until we had been at the Session of 1876 for several weeks—I do not know how many—when my foreman or business man wrote to me to say that the Messrs. Chubb, of St. John, had ordered a large quantity of the peculiar kind of stationery which is required for some post-office work; they desired, of course, to get it as cheaply as possible and to save as much money as possible, and that this would remain on their hands unless something was done to protect them from the loss that would otherwise accrue; they did not pretend to have any legal claims, of course, but they asked me to interfere in the matter. I felt very reluctant to interfere, and I wrote back to say that the Messrs. Chubbs should themselves make any application they had to make to the Government directly, and that, of course, they could refer to me as to the facts of the case, which I would be quite willing to state to the Government if necessary; I said that the application must come from themselves, and that I could make none. I think they wrote again to say that they had sent some such application to the Government. I received two or three letters on the subject. I know that they wrote to me, at all events, to induce me to speak to Mr. Mackenzie about it. I mentioned it in this way; I remember very well, meeting Mr. Mackenzie in the House one day—it was not in Session at the time—and saying to him—“Are you aware that there was some post-office printing done at the *Freeman* office.” He answered “yes.” “Well, I said, of course I never asked for the work and the Government are under no obligation to send it to me and I do not wish that it should be sent again, and I do not ask at all for the renewal of the work, but Messrs. Chubb write to me and say that they have imported a quantity of stationery, supposing that this would go on next year as it did last year, and this stationery is quite unsaleable, not being needed for ordinary shop purposes, and that they will lose very heavily if this is thrown on their hands; do you think that you could do anything for them? Perhaps, I said, you could manage in some way to have them allowed for it, and to have it handed over on the invoice prices to some

parties, and take the stuff off their hands; I think this could be done without loss to the Government, and if it is not done, or something of the kind, it will involve the Messrs. Chubb in rather a serious loss. Mr. Mackenzie said he would think about it, and speak to Mr. Huntington about it. I think, Mr. Huntington afterwards spoke to me about. He said he had been thinking over the matter, and said he did not see how they could take the stationery off the hands of Messrs. Chubb, or what he was to do with it. I said that it was possible that the contractor here—I understood that they were now having the work done under contract—would be glad to get the stuff at what would be a very cheap rate,—the cheapest possible rate, of course. He said, that he would think it over, and the matter remained in that way, very little more being said about it, until Mr. Huntington told me one day that he had been thinking it over, and that he could not take the stationery very well, but that perhaps he would issue an order for some printing to be done to cover it. Where the order was to go, or how it was to be done, I could not say, nor did I think about it at the time, nor did he tell me; nothing passed on that point at all, as all of these three or four conversations were directed simply to the purpose of protecting these gentlemen from loss, as they must suffer if this material were not taken off their hands. I learned from a letter read during the debate, and which is on the table, I presume, that about that time—somewhere in April, an order did go down to the Inspector to send orders into the *Freeman* office again for printing, for a three months' supply I think, or some thing to that effect. In point of fact, no order went to the *Freeman* Office, until several weeks after the Session was closed. I was detained in Ottawa for some three weeks after the prorogation, and it was long after I went down to St. John's, but no order came into the *Freeman* office; for sometime I supposed that none was coming, and I imagined at the time that the orders were going to the Messrs. Chubb, and that possibly this was the wish of the Postmaster-General. No orders, however, came to the *Freeman* office for weeks; but by-and-by orders came in and continued for six or seven weeks, and not, as was stated in the House, for three months; and then the whole transaction closed. Mr. Mackenzie, in the House of Commons, stated that the whole transaction had absolutely terminated—call it a transaction or a series of transactions—at the close of the year 1875, and he then stated what was exactly the truth; nor was there anything ever done since for any one of the Departments in the *Freeman* office, of what is called job work, except these orders which were sent in for six or seven weeks, that I spoke of, and which was done in the way I spoke of. It was not asked for by me, nor was it suggested by me that it should be sent down, because, as has been stated, Messrs. Chubb were apprehensive of incurring this loss on the unsaleable portion of the stationery which they had ordered for Post Office use, and they did not know what else to do with it; but it was sent, I presume, because the Government thought that it would be desirable to save them from that loss. I have told everything I know about it. Now, that is the whole transaction, Mr. Chairman, as far as I know anything about it. There are no documents—a request was made the other day for documents in the case—to be produced. There is no correspondence on this question to be produced. These orders were merely sent in to me, from day to day, and they were executed from day to day and from week to week, as the case may be. Whenever it suited the Inspector to send an order, he sent it, and it was executed when he sent it in, and the accounts were sent up here at the end of the quarter, through the Inspector. They were sent to the Inspector by me, and by the Inspector to the Department, where they were audited, and where their own scale of prices were applied to the accounts. In very many cases my foreman complained that there was not enough allowed to pay the cost. There was nothing like underhand dealing, at all events, in the way in which the matter was carried on for something over two years, when it absolutely ceased, without a word of intimation or a word of warning being given me by the Government, indicating that they would send no more printing to the *Freeman* office; nor had I, I will repeat, any right to ask the Government why it ceased. There was no contract; there was no agreement; and there was no understanding of any kind that this work was to be sent to me, or that it was to be continued to be sent. I was simply told

one day, by the Postmaster-General, that the work was to come to my office. I took that announcement as a matter of course, and as a thing that was naturally to happen after a change of Government; and the whole transaction is exactly as I have stated it. I cannot remember a single circumstance in connection with it, which I have not now stated fully to the Committee. Perhaps something else will occur to me, and if any hon gentleman chooses to cross-examine me, I wish him to do so. I invite every member of the Committee to do so, as I have been trying to bring to mind all that has taken place touching this matter, as I want the facts to be placed as fully and as clearly and as unreservedly as possible before the Committee and before the House of Commons and before the public. With regard to the law of the case, it was stated during the course of the debate that I knew what the Independence of Parliament Act was, and that, therefore, I should not have accepted the orders when sent. I thought that I did know what the Independence of Parliament Act was, but I cannot remember, when looking back now on the matter, that I troubled my mind about the Independence of Parliament Act at the time. I do remember very well, however, that no suspicion crossed my mind at the time that the transaction was any violation of the Independence of Parliament Act. I know now, too, looking back at that time, that I had become—I cannot tell how—aware that there were some Canadian decisions in similar cases. I had a very clear recollection, though I do not know whether I quite recollect the way in which I became acquainted with it, of a case which has since been talked of—the Russell election case, which, as I see by some paper this morning, took place in 1864. In this case, Sir John Rose, then Mr. Rose, was Chairman of the Committee, and there this question of contracts was very fully discussed and very fully disposed of as I thought. I will try to remember how and where I saw it, and I possibly saw it during the protracted enquiry into the Peterborough election case when brought before us; perhaps it was this, made me familiar with that decision, but I have no doubt now at all but that my familiarity with that decision left an impression strongly on my mind that in allowing these orders to come to my office from day to day without, as I say, any agreement or understanding whatever, or anything approaching a contract or agreement whatever, between myself and any member of the Government, or any one representing the Government, I was acting entirely within, at all events, the Canadian interpretation of the Canadian Independence of Parliament Act. I could not help also, I may say, remarking that during several years previous, there sat in the House of Commons, a number of gentlemen who were reported to be proprietors of newspapers which supported the Government and received Government advertising—how much or how little I never stopped to enquire—I saw that these parties were never challenged, and I knew that after, when some question concerning the Independence of Parliament Act arose, and an amendment to the Act was moved in the House, it was never even suggested that these gentlemen held an equivocal position in the House. I think it was notorious that such gentlemen were in the House; and that their position was never questioned is certainly a matter of fact. Their right to stop there was never questioned. These things, I have no doubt, had their influence on my mind, so far as to cause me never to suspect for a moment, that I was committing any violation of the Independence of Parliament Act; and as I knew that I had done nothing dishonourable, I never really felt that there was anything to be ashamed or afraid of in this transaction; I never thought that the work was sent to me because I happened to be a Member of Parliament. I was satisfied that if I ceased to be a Member of Parliament, the work would have been sent to me, and I believe that, under such circumstances, I could possibly, in a great many cases, have insisted upon getting what my foreman said were more reasonable prices than were allowed. Of course, my position as a Member of Parliament would prevent me at all interfering as between him and the Department, in matters of that kind. Indeed, on one occasion, I happened, as I say, to go to the Department and draw a sum of money, which I was told was due there, and which was wanted in St. John, and I had then a conversation with Mr. Wicksteed, who alluded to this matter; but I said to him,

"I have only to say to you in this matter, that I feel satisfied you will do your duty fairly." I never, in any case, imagined that there was a single dollar of that money coming to me because I was a Member of Parliament. I am satisfied now that this was not the case; and I thought that my paper, as a paper, had established a fair claim to any share of the patronage—if it is so to be called—which was distributed among the papers in St. John, which supported this Administration. I thought that sort of a claim existed, but I never pressed it; and I never suggested it to anybody. I do not know that I have anything more to add,—as far as I am concerned in this case,—to what I have already stated with regard to the facts. I would summarize them in a few words, and they are simply these:—that I never made any application to become a member of the Government; that I never sought, directly or indirectly, a place in the Cabinet; that I never intimated, in the remotest degree, to any one of the leading gentlemen or any other member of the former Opposition or of the present Government party, that I desired or expected to be a member of the Government; that when Mr. Mackenzie came to consult with me respecting the troubles he had to overcome in the formation of his Government, I did not attempt, in the slightest degree, to detract from the importance of the difficulties which were in the way of his taking me into the Cabinet, but, on the contrary, told him that I thought it would be very foolish on his part, under the circumstances, to take me in as a member of the Government; that I did not ask for any remuneration or recompense, directly or indirectly, for not becoming a member of the Government; that such an idea never entered into my head, and I did not conceive it possible, from my standing and character in the country, that anybody would impute anything so disgraceful to me; that I thought this work went to the *Freeman* office in the ordinary way and in the usual course of things; and that I did not think that in allowing this work to be executed, I was violating, either in the letter or in the spirit, the Independence of Parliament Act. Whether it was expedient or inexpedient that this work should be so done by a Member of Parliament is, I think, another question altogether. I would be myself prepared to say, I think, that if I had an opportunity of voting on the question now—having had more time to give to the consideration of it—I would vote that it is inexpedient, and I do not know but that I would not go so far as to say it is improper. But as to there being anything improper in it under the circumstances, as they existed, this never occurred to me; there was nothing dishonest or dishonourable in the transaction, I was always satisfied about that, and, therefore, when the matter came up, I never attempted to conceal my opinions as to the facts, and I always endeavoured to put the case before the public as plainly, and as fully, and as clearly, and as thoroughly as I have now endeavoured to put it before the Committee. Mr. Chairman, I have now made my statement, and I invite the strictest cross-examination from the members of the Committee; and, more than that, I again offer, if it be at all thought desirable, that after the Committee have first obtained power to administer the oath to me, either to make this statement over again on oath, or swear to the strict, exact, literal and absolute truth of every word I have said.

Mr. Chairman :—If any Member of the Committee desires to put any questions to the Hon. Mr. Anglin, he is now present and ready to be cross-examined.

By Mr. Cameron :—

Q. I think it was stated in the House, that this work was sub-let by the Hon. Mr. Anglin, and that it was not done at his own office; I would like to know whether it was done in his own office?—No; "through my office," I think was the expression I used—in and through my office. A portion of the work was done in my office, but a very great portion of it was not done in my office; the compositors' work and the press work were done in the office of Messrs. Chubb & Co.

Q. Are Messrs. Chubb & Co. printers?—They are stationers and printers; they are a large and old stationery firm in the city of St. John.

Q. But the bulk of the work was done through them, or in your own office?—The work was done through my office, but the bulk of the actual manual labour was done in their office. The management of the work was altogether done

in my office. The time of my business man was almost entirely occupied by this work during two years, in taking orders and in seeing them executed.

Q. Did you make arrangements on a certain scale of prices with Messrs. Chubb & Co. for the work they did?—I made arrangements with them for the work, and for the stationery also; I went to them because they dealt largely in stationery, otherwise, I would have had to buy the stationery; there was no agreement under which I could pretend to act, and I was simply buying it from day to day, and in getting the work done by them and the stationery from them, of course, I was able to do it more cheaply than if I was compelled to go in and pay the usual high rates of profits made on stationery to any stationer.

Q. What was the amount of profit on the work you sub-let or gave over to them?—I think that is hardly a fair question. If the Committee presses me I will answer it, but I do not feel inclined to do so.

Q. You say that there was an agreement as to the prices charged?—Between me and the Messrs. Chubb—yes.

Q. I have only one other question: have you yourself had any communication with the Post Office Inspector on the subject?—I might have talked to him in a general way about it. I think, when I have gone into his office on business in connection with his Department as Post Office Inspector. I had business of my own there and he may have possibly spoken to me about it; but there was never anything in the way of an understanding, proposal, or suggestion regarding the making of an agreement between me and Government in this matter. Nothing of that kind passed at any time.

Q. During your conversations was anything mentioned as to the quantity of the work?—No, never; I never had the slightest discussion as to the quantity of work sent in. I never suggested anything of the kind to him.

Q. Were you aware that Messrs. Chubb & Co. had imported an extra quantity of stationery?—No; not until after the work had ceased for some time; when they found it had ceased and that they would probably suffer loss, they then applied to me about it. I then wrote to them, saying that they must make their own application to the Government.

Q. That was paper of a particular kind?—It was paper of a particular kind; it was the large heavy paper used for way-bills and such forms as are frequently used in post offices. It was not of the character ordinarily sold, and it was not easy to be got. Had there being any contract, or agreement, I might say, concerning any specific time I would have taken a very different course. I would have possibly imported my own stationery under such circumstances and had my own profits on it, but I had nothing to act upon and I was simply obliged to buy it from day to day; and they, in order to get the proper kind of stationery—which I think they had first imported from the United States at very high prices—afterwards, I believe, sent over and bought it in Great Britain in order to have a profit on the stationery. Of course the other arrangements were much more satisfactory under these circumstances than otherwise would have been. The profit in stationery being usually very large.

By Mr. Palmer:—

Q. As to the conversations with the Inspector, of course it was necessary for the Inspector to direct the particular kind of thing you would have to do?—My conversations with the Inspector arose when I went to him on some other business. The conversations that passed between us were not directed to anything that regarded the price, the quantity or the quality of the work, or anything of that kind. It is more than possible that something was said about the printing that was going on from time to time. I think that this is probable, but I can hardly tell what the conversations were. I cannot recollect any specific statements, because nothing passed between us of a character that would be at all specific, and nothing in the way of bringing pressure to bear as to sending me work. If the honourable member has any idea of that kind, I would like to remove it. There was absolutely nothing of the sort. I never descended to anything of the kind in any way, directly or indirectly. I did not quite answer Mr. Palmer's question. You asked if any directions were given to the Inspector regarding the quantities of work?

Mr. Palmer :—What I assumed was, that the Inspector would be directing the former as to the kind of things he wanted.

Hon. Mr. Anglin :—I will tell you when that was done. An order would be sent in, say for five or ten reams of a particular kind of form, and with the order was sent a specimen form. Possibly conversations passed between him and my foreman, of which I knew nothing, but which would be of that character—as to the quality of the paper required by the authorities, or something of that kind. Such conversations would naturally take place.

Mr. Chairman :—Is any other gentleman prepared to ask any questions, or make any observations to the Hon. Mr. Anglin?

Hon. Mr. Anglin :—As no other questions are put, I beg leave to withdraw, and to leave the matter entirely in your hands.

(Signed) T. W. ANGLIN.

Sworn before me on the 17th day of April, 1877,
at the House of Commons, in the City of
Ottawa.
The Hon. T. W. Anglin has declared that the
foregoing is a re-statement by him under
oath of his statement of 13th April last.

(Signed) AMELIUS IRVING,
Chairman.

TUESDAY, 17th April, 1877.

The Standing Committee on PRIVILEGES and ELECTIONS met at eleven o'clock.

The Hon. Mr. ANGLIN appeared before the Committee.

By the Chairman :—

Q. Mr. Speaker, is this statement which you have read over a re-statement of the evidence you gave a few days ago?—It is, and it contains all I can recollect of the entire transaction.

The Chairman :—

Mr. Speaker has appeared before the Committee, in answer to a request that he should be here again, to answer any questions which hon. members thought proper might be propounded to him, if he attended to it; and he is now in attendance for that purpose. I have communicated to Mr. Speaker the object for which he was required—that his attendance was requested here to give information upon the subject of that part of his evidence relating to hon. members who had sat in Parliaments previous to this Parliament with him, and who, he had reason to believe, had enjoyed certain benefits from the Government in relation to advertising and printing.

Hon. Mr. Anglin :—

Mr. Chairman, if any statement I might make would involve any one in the slightest trouble, I would beg to be excused from making it, even at the risk of hurting my own case. When I spoke of the fact that gentlemen did hold seats in Parliament who were known to be proprietors of newspapers which supported the Government of the day, and which were said to have been receiving—and, I presume, truly said to have been receiving Government patronage, as newspapers call it—I thought that I spoke of what was within the knowledge of very many members of the Committee, and that it would not be necessary to use any names. However, as the Committee, you inform me, desire that I should name a few of these gentlemen, I will name those who sat in the First Parliament of Canada, and who, of course, I presume, are not responsible to-day in any way for any unconscious violation of the Independence of Parliament Act. I referred to them as having acted within their right and within the law, and not with the view of charging them with having done any wrong.

I refer to their cases as proof that I was not myself doing anything wrong. Mr. Chamberlain was one who was well known to be a partner in the *Montreal Gazette*, I presume that there is no doubt of that fact, and he sat in the House for the first Parliament of Canada for two or three Sessions, and I think for three Sessions. His rights there were never questioned or doubted in the slightest degree. I never heard a syllable breathed to say that Mr. Chamberlain was acting in violation of the law, and yet I have no doubt that during all this time, his newspaper was getting a large share of Government advertising; all the advertising the Government wished to have done in Montreal, I presume, was done there, and he had a share of it. Mr. Beatty, of the *Toronto Leader*, was also a member of the First Parliament for nearly the whole Parliament, I believe, and he was reputed by everybody to be the proprietor of the *Leader*—there is no doubt about that fact whatever. I cannot speak to my own knowledge, for I cannot remember that I ever looked at one of the papers with the view of ascertaining whether or not the *Leader* received Government advertising, but I have no doubt that his paper at that time did receive such advertising. Indeed, in Mr. Beatty's case, I cannot have any doubt of the fact, because although his right to sit in the House was never questioned, it did sometimes happen that an allusion was made in the course of some of our rather angry debates to the fact that he was in receipt of Government advertising patronage and received pay for it, and I remember very well that on one occasion, after something of that kind had been said, I met Mr. Beatty in the corridor, when he very angrily protested against such an imputation being levelled at him. He did not at all deny that he received this patronage, but he most emphatically denied that any amount of patronage could possibly be held to influence his vote or conduct in the House as a member of the House; and as to that, I quite agreed with him at the time. I also think that Mr. Bowell was spoken of as being one of the proprietors, or the sole proprietor, of the *Belleville Intelligencer*; I know that I heard him taunted in the House with having received and being in receipt of pay for Government work and Government advertising; but his right to sit there was never challenged or questioned, and it was never hinted at even that he had violated in this the Independence of Parliament Act, but it was simply thought that, being there in receipt of pay from the Government, he ought, therefore, perhaps, to be more moderate in what he said in support of the Government, or something to that effect. I also think that the *Chatham Planet* is said to be owned by a member of the House, Mr. Rufus Stephenson. He was said to be the proprietor of the *Chatham Planet*; he was so regarded in the House; and I thought that this was the case. I will say again that I thought all these gentlemen were acting perfectly within the law, and I think so now. When I referred to their cases, it was not at all with the idea of saying to the Committee that five or six wrongs made a right, but simply as proof that, in the opinion of the House of Commons itself, the receiving of work of that kind was not a violation of the Independence of Parliament Act. There was also the previous decision, in the Bell case, extending over a term of years; and that, in my opinion, rendered it an acceptance and declaration of the Canadian interpretation of this particular Act of Parliament. I think that there were some other gentlemen—whose names I cannot remember now—who stood in a somewhat similar position in that and in the succeeding Parliament. It was generally understood in the city of St. John, that Mr. Palmer, who is a very astute lawyer, was, if not exactly the proprietor of a little paper published down there, largely interested in it at all events, and any Government advertising received by it, must be held to be Government advertising given to him; and I saw him sit for two sessions, I think, in the second Parliament of Canada, and his right to sit there was unquestioned, unchallenged, and never thought of.

By Mr. ———

Q. You allude to the *Tribune*?—Yes. I do not know the exact relation of Mr Palmer to it, I only speak of public report.

By Mr. Cameron :—

Q. You only refer to cases of the publication of advertisements?— Yes.

Q. Are you aware that any of these gentlemen whom you have mentioned did ordinary Departmental printing?—No.

Q. He only made publication of advertisements?—I do not know whether he did or not. I am not prepared to say it was only publishing advertisements, I only speak of what was reported at the time; I do not meddle much in other people's business, and I never pried into this matter. I may say that I cannot see much difference myself, unless that I would suppose that the publication of advertisements would be much more in the nature of a contract than the execution of ordinary job printing, inasmuch as it usually extends over some specific time; an order is sent to publish a certain advertisement for one, two or three months, from day to day, or from week to week, as the case may be. I would regard this as being more of the nature of a contract than a job of job printing ordered to be executed within a day or two.

THURSDAY, 19th April, 1877.

Hon. D. A. MACDONALD, Lieutenant-Governor of Ontario, and formerly Postmaster-General of Canada, was in attendance before the Committee, and gave under oath his evidence as follows:—

Q. I believe you were Postmaster-General—from what dates?—From about the 6th or 7th of November, 1873, until I was appointed Lieutenant-Governor.

Q. That was about ——?—About eighteen months after I was appointed Postmaster-General; I was appointed, I think, the 21st of May, 1875.

Q. When Postmaster-General, had you any communication with Mr. Anglin about Government printing in New Brunswick?—Not any that I have any recollection of; I have no recollection of communicating with Mr. Anglin on the subject except verbally; I met him after I concluded to give the printing, and I mentioned what I had done.

Q. When was this?—Shortly after the formation of the Government.

Q. Shortly after the formation of the Government you made up your mind to give him the printing?—I made up my mind to give the papers that supported the Government the printing of the Department.

Q. You met Mr. Anglin?—After I had decided to give him the printing, my recollection goes back, that I first ordered that the printing should be given to two papers in St. John; I do not recollect the other paper—the *Freeman* and another paper; shortly after I ordered that it should be all given to the *Freeman*; I then stated to Mr. Anglin that I had ordered the printing to be sent to his office.

Q. The printing of your Department?—The printing—all that was to be done for New Brunswick for my Department; Mr. Anglin coolly thanked me, and that was all.

Q. As I understand it then, at first you had given instructions to send the printing of your Department in New Brunswick to two newspapers, and changed your mind and resolved to give it to the *Freeman* alone?—I do not recollect how long the other paper had it.

Q. You made up your mind to give all the printing to the *Freeman* before you saw Mr. Anglin?—Before I spoke to him about it.

Q. Can you remember the date when you spoke to him about it?—I do not know; I do not know how soon after the formation of the Government I spoke to him, or whether I spoke to him the first time I met him after I made the change or not, I cannot say.

Q. It could not have been long after the formation of the Government?—I cannot state; it was, however, after the formation of the Government; I forget all about it; I do not recollect whether it was on the street or not; I do not recollect the date—whether one week or one month or two months, I cannot state.

Q. Did you send the order to the proper officer of your Department?—Yes; I ordered Major White to send the printing to the *Freeman*; I merely ordered that the printing to be done for the Department should be done by the *Freeman*.

Q. Any orders about stationery?—No; I do not know about any stationery, I gave no orders regarding stationery; I merely told Major White to change the printing to the *Freeman* on the same basis as the other.

Q. Did that order exist as long as you were Postmaster-General?—Yes.

Q. Can you tell us how you came to the conclusion to give the printing to the *Freeman*?—I came to it, because the paper was supporting the Government.

Q. Was that determination come to by yourself or after communicating with your Department?—I do not hesitate to say that it was my own act.

Q. Did you give any instructions as to the prices or rates?—I told the Secretary, Mr. White, that the printing was to be sent to the *Freeman*, and that the rates were not to be higher than those paid by the former Government, in fact I said that if we could get them less, we were to try and do so.

Q. Do you happen to know if there was any stationery?—No, I cannot say.

Q. Did you examine the accounts?—I never examined the accounts, I seldom did that sort of thing; I had enough to do without going into details.

Q. You were aware, of course, who the proprietor of the *Freeman* was?—Oh, yes; it was reported to be Mr. Anglin.

Q. You spoke to Mr. Anglin?—Of course.

Q. As being a matter of interest to him?—Nothing was said about it being of interest to him.

The Chairman:—Do you propose to ask the Lieutenant-Governor any further questions.

Q. Is that the only communication you ever had with Mr. Anglin on the subject?—The only one I recollect at all; I mean by that direct to him personally.

Q. There is some little doubt, as to the lapse of time between the formation of the Government and your interview with Mr. Anglin—was it in Ottawa that you had this conversation?—I cannot tell where it was; it was the first time I met him after the formation of the Government.

Q. The Deputy Postmaster-General has stated, after you were examined, that the first instructions from that department was given in November, 1873, and it was to the effect that two-thirds of the business should be given to the *Freeman* and one-third to the *Globe*, and states that that was late in February, 1874, before the instructions to give it all to the *Freeman* were given. Do you remember anything about the dates?—I gave instructions to Mr. White to communicate with the Inspector. I do not recollect the proportion that was given to either of these papers, but it was ordered that some would be given to each. I know that something of that kind was done. Subsequently I ordered that the whole should be given to the *Freeman*, because I found it was more convenient to have the whole printing done at one place than at two. That was the reason I gave it all to the *Freeman*, because it would be more convenient.

Q. Don't you remember the date when that communication was made, or about the time?—I cannot tell. That, of course, would be for the Department. My instructions entirely were given to Mr. White. I do not recollect having a conversation with Mr. Griffin at all about it.

Q. The reason why I gave you this trouble was simply to ask this question—the reason you took the printing from the *Globe* and gave it to the *Freeman*; that is the only question?—It was for the sake of convenience.

Q. What sort of a convenience was it?—It was easier to keep one account.

Q. Mr. Griffin states that it was found to be more economical to bring all the departmental printing here, because it was more economical to do a large amount of work than a small amount; it was more economical to get the work done in one office than in two?—My idea was that it was more convenient to have it at one place. My recollection is that when I told Mr. Anglin about the printing, it was after the whole printing was given to him; and my impression is, it was after our return from our election crisis. My recollection is that when I ordered the printing to be given to him, it was after the election.

(Signed)

D. A. MACDONALD.

The Chairman:—

W. H. GRIFFIN, Esq., Deputy Postmaster-General for Canada, was also in attendance and gave under oath his evidence as follows:—

Q. Mr. Macdonald, formerly Postmaster-General, gave instructions that the printing of the Post Office Department in New Brunswick should be transferred to the *Freeman* soon after the formation of the present Government?—It was done by letter of the 20th of November.

Q. Do you remember the instructions given by Mr. Macdonald to the Inspector?—I cannot exactly recall how my knowledge came. I spoke to the Lieutenant-Governor on his taking office as Postmaster-General, telling him what the arrangements were for printing the work in the Maritime Provinces, and asking his instructions, and he said he would let me know in a few days. A letter was written in consequence of his decision, and the Inspector was directed by this letter to give two-thirds of the printing to the St. John's *Freeman*, and one-third to the St. John's *Globe*.

Q. How long did this arrangement continue?—That lasted I think until some time in the February following, and then the Inspector was directed to give the whole of the printing to the *Freeman*.

Q. For what reason?—I do not know, except that that was the Postmaster-General's desire.

Q. What was done about prices?—There was some difficulty for the first few months. The accounts were all audited by me, and paid by me, and the prices were regulated by the prices we paid previously, and I think there was considerable difficulty. There were discussions about what the prices should be. There is always a difficulty in comparing the prices of work done in different quantities and in different places. We had a schedule of prices drawn up by the Queen's Printer. It was assented to by the parties doing the printing in both the Maritime Provinces. That was some time in June or July following. I don't think in any case up to that time we paid more than we had paid previously. My impression is that the schedule was in some cases more, and in some cases less, but on the average less.

Statement of amounts paid to several newspapers for Post Office printing was here handed to the Chairman.

Q. Do you know who are the proprietors of these papers?—No, but I can find out who gave the receipts.

Q. You spoke of two letters from the Department, the first written in November, 1873, giving instructions that the New Brunswick printing should be given to two newspapers, and a subsequent letter altering these instructions, and ordering that the printing should be given to the *Freeman* alone; are these letters in existence?—Copies of them are in the letter-books, and the originals are in the possession of the Inspector.

Q. You say that there was at first some considerable trouble about the prices? Did you discuss the case with any one?—Only through the Inspector. The accounts came through the Inspector, and he certified as to the quantity that had been delivered, and that the work was suitably done.

Q. Do you know with whom the discussions took place on the part of the printers?—No; you may see that the accounts themselves have corrections in them made with red ink. We did not pay the full prices charged in all cases.

Q. These discussions took place then in St. John with some one representing the *Freeman*?—Yes; with the Inspector.

Q. Who that party was you do not know?—No.

Q. Will the papers or the letters show?—No.

Q. Did you state that the schedule was assented to?—It was assented to, but how that took place I don't think there is anything to show. The schedule was sent to the Inspector with a letter, saying that no other prices would be admitted.

Q. Was there any correspondence with anybody else on this subject?—We did not deal with any one but the Post Office Inspector. There may, however, have been some correspondence with Messrs. Chubb in regard to paper.

Q. Was there any schedule of prices before July, 1874?—No.

Q. There was no arrangement as to prices come to earlier than November?—No.

Q. Then between November and July these difficulties took place about the prices?—Well they could hardly be called difficulties. Occasionally the prices were discovered to be incorrect.

Q. You did not communicate with anybody about that except the Inspector?—No.

Q. Mr. Griffin, can you tell us why the amount of printing should be so much greater during those two years than it was formerly?—It was owing to the changes in the Way Post Offices in New Brunswick; in order to assimilate them in accordance with the other parts of the Dominion they had to be furnished with entirely new blanks and forms.

Q. Was the change made in 1874?—It began in 1874 and continued through 1874 and 1875.

Q. The amount of printing in Nova Scotia and New Brunswick seems to be much larger than in Ontario and Quebec?—Well, that was the cause.

Q. How long did that continue?—For about two or three years.

After recess—

Letters dated November 20th and December 17th were read.

Q. Do you know of any other schedule before this one of July?—No.

Q. What did you mean this morning when you said that the prices under this schedule averaged less?—My impression is that the prices were less than those previously paid; there had been no previous schedule.

Q. I suppose there would have been considerable difficulty in dividing the printing, giving two-thirds to one and one-third to the other?—I do not remember that there was; the fact is we had no account before the second letter was sent.

Q. As a matter of practice would it have been difficult for the Postmaster-General or Inspector to know when he was giving two-thirds to one and one-third to the other?—Of course there would have been difficulty.

Q. Referring to letter of the 22nd of April, 1875, where is report No. 564?—It would be a letter from the Inspector, and I have not got it with me.

Q. That, of course, you can produce?—Oh, yes.

Q. You had no personal communication with any party in regard to this printing?—No.

Q. I think you stated that at the time the change was made, no account had been rendered?—No; it was hardly possible.

Q. Was any work done?—We could see by the first account. It would depend upon what the wants of the service might be between the first letter and the second, modifying it. No doubt something was ordered.

Q. I see that on the 17th of December, instructions were given by your Department, to give all the printing to the *Freeman*, and none to the *Globe*. Do you know of any Departmental reasons?—No.

Q. Do you know who the proprietor of the *Globe* was?—No, I have no idea.

Q. I understand you to say the amount of work was largely increased by changing the Way Offices into Post Offices, and that the work was much larger for those two years than for other years. Will you have the kindness to state to the Committee what was required during these two years?—Each of these offices required a different set of forms and blanks. It required about \$25 worth to fit each of them out. Indeed, for my own information, I went into the matter, and found it cost nearer \$30 than \$25, altogether for each office, and there were some five hundred offices. It was substantially the same as establishing five hundred new Post Offices.

Q. Was there any printing done by Messrs. Chubb & Co.?—Not that I know of.

(Signed)

W. H. GRIFFIN,
Deputy Postmaster-General.